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Investments of the United Nations Joint Staff Pension Fund and measures undertaken to increase diversification of the United Nations Joint Staff Pension Fund

Report of the Secretary-General

I. Introduction

1. The management of the investments of the assets of the United Nations Joint Staff Pension Fund is the fiduciary responsibility of the Secretary-General of the United Nations, who acts in consultation with the United Nations Investments Committee, taking into account the observations on broad policy of the United Nations Joint Staff Pension Board and the General Assembly. The Investments Committee provides advice to the Secretary-General on investment strategy and reviews the investments of the Fund at its quarterly meetings. The Assistant Secretary-General for Central Support Services has been designated as the representative of the Secretary-General for the investments of the Fund and has been delegated the responsibility for the oversight of the investment of the assets of the Fund on behalf of the Secretary-General. The representative is assisted by the staff of the Investment Management Division. All investments must, at the time of initial review, meet the criteria of safety, profitability, liquidity and convertibility.

2. The present report gives information on the management of the investments of the Fund during the fiscal biennium period 1 April 2010 to 31 March 2012, and provides information on investment returns, the diversification of investments and development-related investments of the Fund. For the fiscal year ending 31 March 2011, the Fund returned 11.9 per cent and for the calendar year ending 31 December 2011, the Fund returned -3.9 per cent. During the fiscal year ending 31 March 2012, the Fund returned 0.6 per cent. Fortunately, market volatility is evident on the upside as well as on the downside. For the two-year period ending 30 June 2012, the Fund returned 8.6 per cent. Although recent performance was strengthened by the

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incorporation of systematic risk management during the last quarter of 2011, much of the improvement in 2012 resulted from the sharp upswing in financial markets. Amid this extremely volatile and uncertain global market environment, the Investment Management Division made efforts to reduce risks.

II. Changes during the fiscal biennium

3. During the fiscal biennium ending 31 March 2012, the Fund benefited from the extended recovery in global equities that emerged out of the March 2009 low point, and the Fund recorded a new historical high of $42,978 million on 3 March 2011, surpassing the previous high recorded in October 2007, prior to the global financial crisis. However, amid deepening concern over the European debt crisis, deleveraging in the financial sector, soft patches in the developed markets and inflation pressures in the emerging markets, overall global economic growth was very subdued. The global emerging markets, which had been major growth drivers in past years, were not immune. The Fund value was $43,091 million as at 31 March 2012.

4. The Fund started buying equity from the first quarter of 2009 and had maintained an overweight position since the third quarter of 2009. However, it began reducing the allocation aggressively after the Investments Committee meeting in July 2011. Despite historically attractive valuations, deteriorating conditions in Europe weakened equity prices at year end. In the third quarter of 2011, the Fund reduced its equities exposure in developed markets from 65.3 per cent to approximately 60.0 per cent and, as at 30 September 2011, the allocation was further reduced to 58.7 per cent. At the end of the fiscal biennium, equities were at 60.6 per cent. As a result of the reduced equity weight, the Fund held relatively high levels of cash, which was 4.8 per cent of the total Fund, as at 31 December 2011. The Investment Management Division was cautious in fixed income securities amid the historical low yields. Bonds were kept below the 31 per cent long-term strategic target guideline. The bond portfolio weight was 28.8 per cent at the end of March 2012. Exposure to real estate increased from 3.6 per cent of the portfolio on 1 April 2010 to 4.5 per cent at the end of the fiscal biennium. To seek further diversification and return enhancement, the Division also reviewed many investment opportunities in private equity, real estate, infrastructure and commodities. Methodically and prudently building a portfolio takes time owing to the extensive due diligence process (at which stage many investment proposals were rejected), contract negotiations and investment process.

5. For the fiscal biennium ending 31 March 2012, the total Fund had an annualized return of 6.09 per cent, compared with 7.42 per cent of the 60/31 benchmark. The Fund performance showed improvement in the two-year period ending June 2012 to 8.6 per cent, while the 60/31 benchmark performed 9.8 per cent based on the preliminary numbers. The equity had a return of 5.90 per cent compared with 6.96 per cent of the Morgan Stanley Capital International (MSCI) benchmark for the fiscal biennium ending 31 March 2012. Underweighting in Europe contributed positively to relative performance. However, not investing in Indonesia and Thailand were negative contributors in the country allocation of the internally managed equity portfolio. Stock selection in the consumer staples was the biggest negative contributor to performance, owing, inter alia, to not owning tobacco, which is prohibited. The selection effect for financials was also negative as the large capitalization stocks,

such as money-centre banks, underperformed, while relatively small stocks in which the Fund was underinvested outperformed during the financial crisis.

6. For the two-year period ended 31 March 2012, the Fund's bond portfolio returned 6.39 per cent, outperforming the Barclays Global Aggregate Bond Index return of 6.20 per cent by 19 basis points. During that period, overweight bond positions outside the core markets, such as Australia, Malaysia, Mexico, Norway, Poland and Sweden, were positive contributors to the Fund's return. The Fund held underweight bond positions in euro and Japanese yen. The underweight position in euro contributed to outperformance, while the underweight position in Japanese yen detracted from performance owing to the strong currency appreciation versus the United States dollar. The Fund allocation to the United States dollar and British pound underperformed versus the benchmark owing to a short duration exposure as interest rates dropped.

7. In the longer-term horizon, the Fund outperformed the 60/31 benchmark in the last 5, 7 and 10 years. In the last 10 years, the Fund had a nominal return of 7.3 per cent as at 31 March 2012, while the policy benchmark returned 6.6 per cent. The inflation-adjusted real rate of return for the last 10 years is 4.8 per cent, exceeding the 3.5 per cent of the long-term investment objective. Over the long term, through active management, the Fund will endeavour to outperform the policy benchmark with effective stock selection and periodic rebalancing of assets to maintain the long-term investment objectives of the Fund. The Investment Management Division continues to focus on balancing the risk and rewarding expectations by apportioning the Fund assets according to allocation goals that are appropriate for a long-term investment horizon.

8. In March 2011, the Investment Management Division deployed exchange-traded funds (ETFs) in an efficient, rapid and cost-effective way to rapidly adjust the asset allocation, which helped the Division to adjust the equity weight. The Fund was a net seller of equities by approximately $850 million during the third quarter of 2011, with the majority of the transactions executed in July, before the markets declined sharply in August. Without using ETFs, the Fund could not have sold that quantity of equities in such a timely manner. In this situation, indexation was a tactical tool to adjust exposure to the broad United States equity market in short order. Instead of replacing the entire North American equities portfolio with a passive index of securities, the objective was to purchase a combination of Standard and Poor's 500 Index large capitalization stocks and Russell 2000 Growth Index, pending the identification of individual securities to be held for the long term.

9. Once the Investment Management Division has established a trade execution team (recruitment in progress), together with the necessary infrastructure for straight through processing, the Division will be able to seek best execution, thereby saving transaction costs and possibly improving execution prices. The necessary information technology infrastructure has been acquired over the last two years (including Murex and Omgeo), which will facilitate processing securities, as well as supply accounting data. At the same time, IMD will be able to implement a tactical asset allocation strategy in a flexible and effective manner to further reduce investment costs.

10. As discussed with the Investments Committee in November 2011 and February 2012, and approved by the representative of the Secretary-General, the Investment Management Division invested in an ETF to track the MSCI All Country World Minimum Volatility Index. This investment was part of the Division's strategy to

deploy cash, which remained at a high level, into equities for the potential return enhancement while limiting downside risk in the face of highly volatile markets. The index is designed to minimize equity volatility within constraints to maintain broader market exposure through the use of an optimization process applied to large and medium capitalization equities across 45 developed and emerging markets. After successfully completing an initial purchase on 28 February 2012, the Division gradually implemented a total investment into the ETF of $183 million in four stages.

11. Amid an extremely volatile and uncertain market environment, the Investment Management Division made efforts to reduce the risks for the North American equity portfolio. The tracking error (deviation from underlying index returns) has actually been reduced to 1.34 per cent from approximately 2.4 per cent five years ago as a conscious risk reduction action. The standard deviation of returns for the portfolio is, in fact, lower than that of the index over the trailing three-year (16.08 per cent versus 16.49 per cent) and five-year (18.02 per cent versus 19.35 per cent) periods. The investment universe is very broad, yet only two Investment Officers (and 1 newly established P-3 Investment Officer under recruitment) cover approximately 700 stocks and approximately $14 billion of actively managed equity investment. As an industry rule of thumb, 100 securities per investment officer is the upper range of the coverage for actively managed stock portfolios and/or between $1 billion and $2 billion of assets under management per investment officer.

12. As recommended by the Fund's Investments Committee in 2006, and reinforced by the report prepared by Mercer Investment Consulting, Inc. in 2007 and two asset liability management studies conducted in 2008 and 2011, the Fund began its diversification into alternative investments, namely, private equity. The fundamental reason for investing in private equity is to improve the risk and reward characteristics of the Fund's investment portfolio. Investing in private equity offers the Fund the opportunity to generate higher absolute returns while improving portfolio diversification as private equity has historically had low correlation to the public equity and fixed income markets. The majority of evidence, both academic and empirical, indicates that private equity generally outperforms equities and bonds over time while offering an attractive risk profile.

13. In June 2010, the Investment Management Division hired a Senior Investment Officer for alternative investments. The Division also signed a contract with a non-discretionary private equity adviser to provide guidance regarding private equity managers. An Alternative Investment Officer, who will work closely with the Senior Investment Officer, is expected to be hired in the near future.

14. In June 2010, the Investment Management Division began its private equity investing. Between June 2010 and March 2012, the Fund committed approximately $530.0 million to seven private equity funds. The total adjusted market value of the United Nations Joint Staff Pension Fund's private equity investment as at 31 March 2012 was approximately $125.3 million. The balance of approximately $397.0 million represents unfunded commitments expected to be deployed in the next five years. As at 31 March 2012, the Fund's private equity allocation by market value stood at 0.30 per cent of the Fund's 31 March 2012 total market value. If all private equity commitments had been deployed as at 31 March 2012, the private equity allocation would have been 1.21 per cent of the Fund's 31 March 2012 total market value (net asset value of $43.1 billion).

15. There are several sectors of private equity that the Investment Management Division believes are of interest and will generate optimal rates of returns. The emerging markets offer a unique platform for sustainable growth investing as a result of unparalleled fundamental strengths. Lower-middle buyout markets offer an area of great efficiency and have a variety of appealing characteristics, including substantial deal flow, less competitive transactions, lower purchase multiples and significant value creation potential. The Division continues to explore opportunities in the secondary market. Secondary investments are particularly attractive as they allow for the rebalancing of portfolios and mitigation of the J-curve effect. Finally, distressed opportunities in the United States and Europe are plentiful. The Division is currently reviewing a number of private equity partnerships covering these sectors of interest.

16. In November 2010, the Investment Management Division began investing in commodities as a component of the real return strategies. The long-term strategic allocation to this strategy is expected to provide an effective means of hedging against inflation risk. The Division will gradually phase in commodities investments over a period of time, taking advantage of positive opportunities where possible. The index assigned to this strategy is Dow Jones-UBS Commodity Index. The Division will solely rely on external managers who employ active investing and dynamic risk management. It looks for actively managed commodities funds with long-only unleveraged strategies, and strong historical track records. As at 31 March 2012, the Fund had invested in three commodity funds, all externally managed. As at 31 March 2012, the Fund's commodities investment had generated a 0.5 per cent return, compared to the -3.3 per cent loss in the benchmark.

17. During the fiscal biennium ending 31 March 2012, commercial real estate markets saw acceleration in investment activity. Real estate markets overall had bottomed or were close to bottom in 2010. Real estate valuation increased significantly from the second quarter of 2010 onwards, in particular in the core real estate space. New investment underwriting activity began in the first quarter of 2010, focusing on investments in Asia, including Australia and the United States. During the fiscal biennium ending 31 March 2012, the Investment Management Division made 14 real estate commitments totalling $743 million. Of those 14 investments, 6 were re-ups and 1 was a secondary issue. Additionally, the Fund initiated two new commitments in the United States energy infrastructure totalling another $100 million. Real estate investments totalled $1.39 billion as at 31 March 2010, or 3.64 per cent of the Fund. As at 31 March 2012, they totalled $1.97 billion, or 4.57 per cent of the Fund. There were no infrastructure investments as at 31 March 2010; as at 31 March 2012, infrastructure investments totalled $17.8 million, or .03 per cent of the Fund.

18. The Investment Management Division conducts qualitative market and security analysis for the portfolio holdings. Amid the volatile financial markets, the Division has been extensively utilizing RiskMetrics, recently implemented, as a decision support tool for monitoring absolute and relative downside risks. In particular, the Division has been cautious in its exposures to the financial sector, particularly in Europe, and has reduced already underweight positions further.

19. The implementation of RiskMetrics is proceeding with additional training for all investment officers in the various statistical applications used to tailor portfolios. RiskMetrics analysis will assist Investment Management Division staff in monitoring

and adjusting the risk exposures in the portfolio as a whole. It should be noted that RiskMetrics compares holdings in each portfolio with established benchmarks. For this reason, it cannot function fully until contracts for each benchmark service have been negotiated. So far, contracts have been executed with Dow Jones, Bloomberg and Russell Index, and there are contracts that remain to be negotiated with other data services.

20. Since the establishment of the Investment Management Service (now the Investment Management Division) in 1983, the Fund's assets have been managed largely on the basis of non-discretionary advisers. This advisory framework needs updating, owing to the inherent scope for conflict of interest and the gradual disappearance of businesses offering non-discretionary advice. More effective utilization of external advisers will be necessary to align with the structural changes in the financial markets/industry and incorporate the development of internal resources that the Division has added in recent years. The Division has conducted a reconfiguration of the advisory framework within the current budget and separated asset allocation from equity research. It will be advised by the specialized vendors and minimize the potential for conflict of interest by limiting the involvement of equity research providers in the investment decision process. Through the competitive bidding process with support of the Procurement Division and the Office of Legal Affairs, the contract of a global strategy adviser signed with Franklin Templeton Investments became effective in August 2011. Regarding the equity research providers, the contracts were placed with Argus Research for North America, BNP Paribas for Europe and Global Emerging Markets excluding Asia, and Nikko Asset Management for Asia Pacific including emerging Asia in 2011. The contract for fixed income was signed with BNP Paribas Asset Management effective in November 2010.

21. The Investment Management Division, in cooperation with the Procurement Division, has now completed two brokerage service requests for proposal. Altogether 29 brokerage requests have been approved and contract negotiations are proceeding. This request for proposal was initiated to address longstanding recommendations to document the Investment Management Division's relationship with brokers in formal legal agreements to satisfy the requirements of the Financial Rules and Regulations of the United Nations. The request for proposal for equity brokerage services also represents an opportunity for the Division to review and improve its broker selection and evaluation process and will result in more effective procedures and enhanced fairness and transparency. As a result of the financial evaluation to be conducted by the Procurement Division, the Division will benefit from a more competitive fee schedule and a reduction of the Division's trade execution costs.

22. A consultant hired by the Investment Management Division to propose procedures for implementing investment decisions regarding the selection of an investment manager and funds submitted his proposal. A new procedure, which was approved in January 2012, will assist the Division in conducting faster selection of external investment managers and investments in external funds. Contracts with the new master record-keeper and the developing market custodian are in place. A new request for proposal will have to be issued for developed market custody services, since contract negotiations with the selected bank were unsuccessful. The contract with the current developed market custodian has consequentially been extended for an additional year.

23. Several initiatives of the Fund had earlier stalled as the Investment Management Division dealt with procurement arrangements put in place in 2005. The Office of Internal Oversight Services contracts management audit (AS2009/801/02) was informative. After three years, a contract for another custodian is still pending. The best efforts of the Procurement Division and the Division to follow the procedures led to the mutual conclusion that change was necessary. Consequently, a consultant was engaged to determine the best practices in the global investment management industry. On the basis of the recommendations of the consultant, which were reviewed and enhanced following the 209th meeting of the Investments Committee held in New York on 9 May 2011, the procedures to properly distinguish between the procurement of services, on the one hand, and investment decisions, on the other hand, are being implemented to ensure effective investment management.

24. Agreements for equity securities brokerage services have been executed with seven firms. Contract negotiations have been completed with 12 brokers, and 16 contracts are in stages of drafting and negotiation. The legal effort for so many contracts is challenging because of the unique United Nations contractual requirements relating to dispute resolution mechanisms, indemnification, confidentiality, audits and liability insurance. This is owing to the unique legal rights and requirements of the United Nations. Since the financial crisis, many Member States have initiated governance reforms, some of which are in various stages of legislation, leading to regulatory uncertainty and complicating the negotiations.

III. Economic review

25. During the fiscal biennium ending 31 March 2012, the United States economy failed to achieve sustainable real economic growth above long-term trend levels some two years after the end of the "Great Recession" of 2008-2009. Real inflation adjusted United States gross domestic product (GDP) expanded at a 1.8 per cent annualized rate in 2011, compared with a 2.4 per cent rate in 2010 (United States Department of Commerce, Bureau of Economic Analysis). The historic trend growth rate of the United States economy over the 1985-2007 periods was within a 2.3-to-2.6 per cent range. The rate of growth in nominal GDP averaged 4.0 per cent during the year ending March 2012, but was also still modestly below long-term levels of 6 per cent. A confluence of global events in 2010 and 2011 served to create considerable dislocations in real economic activity, enhance market volatility and encourage aggressive risk aversion/pursuit behaviour among investors. Fiscal concerns in the European Union resurfaced numerous times over the 2010 and 2011 periods and had a negative impact on sovereign risks across the continent and the globe. The upheaval in the Middle East/North Africa political landscape in early 2011 and continuing global geopolitical uncertainty resulted in highly volatile trends in oil prices. Asia-related tragedies in 2011 also impacted a wide variety of industrial and technological supply chain activities. The expansion of the United States budget deficit and debt ceiling issues resulted in an historic downgrade in the rating of the United States Treasury debt in August 2011. Nevertheless, a wide variety of economic indicators, such as the Institute for Supply Management monthly survey data and the Conference Board Leading Economic Index, have confirmed that the economic recovery is proceeding, albeit at lower rates of growth than of comparable past recovery periods. While the .employment situation continues to struggle from the recession, the housing market has shown signs of

gradual improvement. Such conditions have led to a fairly modest rebound in consumer confidence measures (University of Michigan survey data, Conference Board Leading Economic Index), which are still well below average historic levels. As a result of constrained end market demand and generally slack output capacity, core inflation trends as measured by the consumer and producer price indices (Department of Labour) have remained subdued and under control.

26. In spite of these considerable macroeconomic headwinds, the United States equity market (as represented by the Standard & Poor's 500 Index) managed to achieve a 22 per cent absolute gain over the fiscal biennium period (ending 31 March 2012) and has experienced a 113 per cent increase from the market cycle through levels of March 2009. Non-financial corporate earnings, cash flows and balance sheets continue to be in relatively strong condition, having recovered substantially from the recessionary period. Earnings growth and corporate profits have increased at a more modest rate, as the earnings cycle matures from the cyclical rebound experienced over the prior two years. In effect, over this period, corporate results have generally outperformed the underlying real economy. Equity valuations remained at historically attractive levels and below "fair value" measures (price-to-earnings basis) as a consequence of the uneven economic growth and the considerable uncertainties facing the investing environment. Should expected forward estimated earnings trends be confirmed, equities are potentially very attractively valued on through-the-cycle peak earnings. The reshaping of the global financial sector continues to unfold with still considerable unknown consequences. Increased regulation will translate into higher capital requirements and more difficult visibility for profitability. Yet, the health and the recovery of the financial system are critical variables to assuring the continuation of the economic recovery.

27. The Canadian economy has experienced a pattern similar to that of the United States, with more dependence on export trade activity (nearly one third of the total economy). According to Statistics Canada, the 2011 inflation-adjusted GDP increased 1.8 per cent on an annualized basis, compared with a 3.5 per cent rate of growth in 2010. A relatively strong currency and weakening foreign demand has largely been responsible for a fall-off in growth into the period end. As experienced in the United States (Canada's most significant trading partner), the post-recovery period has been challenged to transition to a more sustainable growth setting. Questions around global growth have led to volatility in worldwide commodity prices, which tend to have a significant impact on Canadian economic output and exports. A strong financial sector and disciplined fiscal policy has generally kept the Canadian economy in balance.

28. In Europe, during the fiscal year ending 31 March 2011, economic conditions showed some modest improvement overall, but the situation varied widely from country to country and growth expectations remained subdued. The period began with heightened concerns about sovereign debt levels, and throughout the year the European Union took steps to try to address those concerns. In May 2010, the European Union, in conjunction with the International Monetary Fund (IMF), approved a €110 billion support package for Greece. Two other lending programmes, the European Financial Stabilization Mechanism and the European Financial Stability Facility, were created, backed by €750 billion in commitments for countries in need of support through 2013. In November 2010, the European Union agreed to Ireland's request for financial assistance, creating a €85 billion package through a combination of IMF, European Financial Stability Facility and bilateral

loans. As the fiscal year drew to a close, the European Union expanded the lending capacity of the European Financial Stability Facility and created another 500 billion euro fund (eventually named the European Stability Mechanism) to replace the European Financial Stability Facility in 2013. However, these actions did little to calm the debt markets. The yields demanded by investors to fund a number of challenged economies stayed near record highs. Broader economic measures reflected a modest recovery in Europe during the fiscal year. In the euro zone, consumer confidence and composite Purchasing Managers Index data improved. Euro zone GDP reached 2 per cent on a year-over-year basis by the fourth quarter of 2010. In the United Kingdom, the initial report of GDP was 1.8 per cent on a year-over-year basis for the first quarter of 2011. Forecasts for GDP growth in the euro zone and the United Kingdom for the remainder of the year suggested that growth would remain near those moderate levels. High levels of unemployment and the impact of austerity measures were expected to constrain more rapid growth. Higher commodity prices, political change in a number of countries and renewed inflation were also concerns. All these factors contributed to volatile equity market performance throughout the year.

29. The fiscal year ending 31 March 2012 in Europe was characterized by increasing concerns over the spread of sovereign debt problems, the steps taken to contain those problems, and diminishing economic growth expectations. Early in the year, the European Central Bank was still concerned about the possibility of rising inflation, so it raised its benchmark interest rate by 25 basis points in April. In May, efforts to contain the sovereign debt crisis continued with the announcement among Portugal, the European Union and IMF of a €78 billion aid package. In July, the European Council agreed to expand the authority and the flexibility of the European Financial Stability Facility, and plans for a second aid package for Greece were outlined. Soon thereafter, the European Central Bank began purchasing sovereign bonds in the secondary market. By the fall, however, bond markets still reflected a great deal of uncertainty about whether sovereign defaults and a break-up of the euro could be avoided. The situation was further complicated by the uneven, but generally slowing, economic growth across the region, as austerity measures started to have an effect. Consensus expectations for 2012 growth in the euro zone turned negative. In response to the change in economic prospects, the European Central Bank made consecutive 25 basis point cuts to its benchmark interest rate in November and December. It took the additional step of offering unlimited three-year loans to banks, the long-term refinancing operation, while loosening collateral eligibility rules and reducing its reserve ratio. In December, European leaders also reached an agreement to create a new integrated fiscal compact, with certain automatic correction mechanisms for national budgets. In addition, in their search for a comprehensive solution, they agreed to accelerate the implementation of the European Stability Mechanism, to leverage the European Financial Stability Facility and to consider additional resources in the form of bilateral loans to IMF. In February 2012, European Union finance ministers and Greece agreed to an aid package of up to €130 billion, with the objective of reducing the country's public debt ratio to 120.5 per cent of GDP by 2020. Also in February, the European Central Bank conducted its second long-term refinancing operation, lending €529.5 billion to more than 800 borrowers. At the end of the first quarter, European finance ministers announced that the lending capacity of its support mechanisms, the European Stability Mechanism and the European Financial Stability Facility, would be raised to €700 billion from €500 billion. These measures helped prevent a

disorderly sovereign default in the first quarter of 2012, but government yields remained high and the outlook for growth in Europe remained weak. Equity markets in Europe reflected broader economic concerns and finished the period lower.

30. Until a 9.0 magnitude earthquake hit the east coast of the country on 11 March 2011 (the great east Japan earthquake), the Japanese economy remained on its steady recovery path through most of the fiscal year ending 31 March 2011. Prior to the earthquake, GDP showed sequential growth every quarter in calendar year 2010. By the end of February 2011, industrial production had expanded for four consecutive months, housing starts had increased nine months in a row and the unemployment rate had dropped to 4.6 per cent, the lowest rate in two years and a decline of 100 basis points from the peak in July 2009. Domestic capital expenditure rebounded year-on-year in the September quarter for the first time in 3.5 years, although the absolute level was still at 70 per cent of the peak before the global financial crisis. Despite the improving fundamentals, Moody's cut the debt rating outlook for Japan to negative in February 2011 on concern that political gridlock would constrain efforts to tackle the biggest debt burden of any nation. The stronger yen remained a concern for corporate Japan through fiscal year ending 2011. The Japanese yen strengthened to 80.40 yen/United States dollar in October 2010, despite yen-selling intervention by the Bank of Japan for the first time in 6.5 years, and briefly hit 76.25 yen/United States dollar, the all-time high, in March 2011, which was countered by a coordinated yen-selling intervention by the Group of Seven countries. The yen appreciated 11.1 per cent against the United States dollar and 6.8 per cent against the euro during the fiscal year ending March 2011.

31. The great east Japan earthquake, followed by extremely destructive tsunami waves and radioactive leakage from the Tokyo Electric Power Company's Fukushima Daiichi nuclear power plant, led to a sharp correction of the stock market and left the country with tremendous uncertainties. As a result, the economy and the corporations in Japan faced multiple headwinds for much of the following fiscal year ended March 2012. Japan suffered further from supply chain damage and disruption caused by the earthquake and tsunami, another supply chain disruption owing to the severe flooding in Thailand, and the appreciation of the yen against most major currencies. Real GDP dropped every quarter on a year-on-year basis in calendar year 2011 before rebounding 1.4 per cent year-on-year in the quarter ending March 2012. Both industrial production and exports declined on the year-on-year basis almost every month after the March earthquake, affected by the supply chain disruptions, weaker demand in overseas markets, and the stronger yen. The yen appreciated by 11 per cent against the United States dollar from the bottom of $85.49 in April to $76.91 at the end of December 2011, and 23 per cent against the euro during the same period, despite interventions by the Government and the Bank of Japan. Owing to stagnant exports and a surge in imports (increased liquefied natural gas import as a result of nuclear power plants shutdowns), Japan's trade balance slipped to a deficit for the calendar year 2011 for the first time in 48 years, while corporate earnings were revised down. In order to fund the reconstruction of quake-damaged regions, and to support companies suffering from supply chain disruptions, the Government of Japan passed four supplementary budgets, amounting to JPY 20 trillion during the year, which led to benefits in areas including a consumption boom in the Tohoku region, improved demand for machinery and strong construction orders.

32. The investment environment took a turn for the better in the final quarter of the fiscal year ending March 2012, backed by the United States Federal Reserve's stance to extend its ultralow interest rate policy, additional monetary easing measures by the Bank of Japan announced in February 2012, further financing support by the European Central Bank, and a string of solid United States economic indicators. Against this backdrop, yen depreciation picked up the pace, fuelling expectations of better earnings for exporters. Despite a patchy macro environment, some economic data showed steady improvement in Japan's near-term economic prospects. Exports to the United States recovered from the supply chain disruption caused by the March 2011 earthquake, led by automobile exports supported by restocking demand and new model launches. Consumption spending improved, as evidenced by a three-month consecutive year-on-year growth in retail sales (+1.8, +3.4, +10.3 per cent, respectively, from January 2012 to March 2012), supported by a rebound in employment and sentiment recovery from post-earthquake frugality. Machinery orders remained strong and the April 2012 BOJ Tankan showed higher business confidence in the export segment and services industries. In the earthquake-affected regions, the economy benefited from large spending for reconstruction works, with consumption, capital expenditure and construction activities boosted substantially. This and the sharp depreciation of the yen from JPY 76.20 to JPY 83.73 against the United States dollar in the quarter ending March 2012, led to the consensus fiscal year 2012 earnings forecast upgrades starting in late February.

33. After avoiding recession in the fiscal year ending March 2010, despite the global financial crisis, Australia continued on a path of solid economic growth, as GDP rose sequentially every quarter for the fiscal year ending March 2011. In contrast to other developed economies, Australia continued a tightening of monetary policy during the fiscal year ending March 2011 with the Reserve Bank of Australia raising its benchmark cash lending rate by a total of 100 basis points to 4.75 per cent, though it kept interest rates on hold from May 2010 through March 2011 as a precautionary move in response to severe flooding in Queensland, the resulting weakness in consumer confidence and concern over the impact of monetary tightening in China on the demand for commodities, the devastating earthquake and nuclear crisis in Japan, and political unrest in the Middle East and North Africa. Employment grew by 319,000 jobs in the fiscal year ending March 2011, while the unemployment rate moved in a range of 4.9 per cent to 5.4 per cent as higher participation rates more than offset job creation. The consumer price index trended higher with a 3.3 per cent year-on-year increase in the quarter ending March 2011 compared to a 2.9 per cent year-on-year increase in the quarter ending March 2010, thus exceeding the Reserve Bank of Australia's acceptable inflation range of 2 per cent to 3 per cent and justifying the tighter monetary policy. The Australian dollar appreciated by 11.2 per cent, compared to the United States dollar in the fiscal year ending March 2011.

34. Although Australia began the fiscal year ending March 2012 with a tightening bias to monetary policy, a combination of negative domestic circumstances (Queensland floods, declining consumer confidence, rising unemployment, weak housing market, the strong Australian dollar) and global events, such as the Japan nuclear disaster, slowing growth in the United States and China, weakening demand for commodities and the European sovereign debt crisis, prompted the Reserve Bank of Australia to safeguard economic growth by holding interest rates steady and

eventually cutting the benchmark cash rate by 50 basis points to 4.25 per cent in the December 2011 quarter. GDP growth had decelerated to 1.2 per cent year-on-year in the March 2011 quarter following quarterly growth rates ranging from 2.2 per cent to 3.0 per cent year-on-year in calendar year 2010. For the fiscal year ended March 2012, quarterly GDP growth recovered to a range of 2.0 per cent to 4.3 per cent year-on-year. The unemployment rate ranged from 4.9 per cent to 5.3 per cent. The consumer price index peaked at a 3.6 per cent year-on-year increase in the June 2011 quarter before moderating to a 1.6 per cent year-on-year increase in the March 2012 quarter. The Australian dollar traded in a range of 0.9528 to 1.1021 against the United States dollar in the fiscal year ended March 2012.

35. Hong Kong, SAR experienced robust economic growth during the fiscal year ending March 2011, with quarterly GDP growth ranging from 6.7 per cent year-on-year to 7.6 per cent year-on-year supported by low interest rates, Government stimulus programmes and a recovery in exports. Exports continued a strong recovery since bottoming in October 2009, with positive monthly double digit growth ranging from 13 per cent to 36 per cent during the fiscal year ending March 2011. Following a 29 per cent increase in residential property prices in the fiscal year ending March 2011, the positive price momentum continued into fiscal year ending March 2012 with a further 20 per cent increase. This resulted in greater determination by the Hong Kong government to prevent an asset bubble and led to a few rounds of policy measures to dampen property price appreciation. In the fiscal year ended March 2012, Hong Kong, SAR experienced decelerating GDP growth on a quarterly basis, as world economic growth slowed, and China maintained a tight monetary policy to cool the property market and control inflation. GDP growth saw a peak of 7.6 per cent year-on-year in the March 2011 quarter, which then fell to 0.4 per cent year-on-year in the March 2012 quarter. Export growth mirrored the economic weakness declining from a high of 27.6 per cent year-on-year in January 2011 to -6.8 per cent year-on-year in March 2012. Retail sales growth remained fairly strong driven by mainland Chinese tourism and ranged between 8.5 per cent and 29.1 per cent during the fiscal year ending March 2012. Residential property prices entered a consolidation phase following a cumulative 77 per cent rise from early 2009 to June 2011 and declined by 6 per cent in the second half of calendar year 2011.

36. In Singapore, GDP in the fiscal year ending March 2011 showed very strong export-driven growth, with quarterly growth rates ranging from 9.1 per cent to 19.4 per cent year-on-year. Singapore public and private residential property prices rose by 11 per cent to 15 per cent to all-time highs, prompting the Government of Singapore to impose measures to cool the property. The consumer price index trended higher, rising from 3.2 per cent year-on-year in April 2010 to a 5 per cent increase in March 2011. With rising inflationary pressures, the Singapore Monetary Authority shifted to a policy of gradual appreciation of the Singapore dollar. In the fiscal year ending March 2012, Singapore's small open economy was negatively impacted by slowing global economic growth, with quarterly GDP on a down trend from 9.1 per cent year-on-year in the March 2011 quarter to 1.6 per cent year-on-year in the March 2012 quarter. Non-oil domestic exports experienced weak single digit to negative growth during much of the fiscal year ending March 2012. Residential property price gains moderated to 3-4 per cent, as compared to double digits the prior year. The Singapore Monetary Authority maintained a policy of gradual appreciation of the Singapore dollar.

37. During the fiscal biennium ending March 2012, growth of emerging economies rebounded strongly in the beginning of the period and subsequently declined into a period of broad-based slowdown. In the early part of the period, emerging economies were able to sustain growth while putting a damper on inflation. The latter part of the fiscal biennium was characterized by a synchronized decline in growth owing to a global economic deterioration in the developed economies and deepening debt crisis in Europe. There were fears that a double-dip in the developed world would spread to the developing markets.

38. In emerging Asia, China remained the fastest growing economy, with a GDP growth of 10.4 per cent in 2010 and 9.2 per cent in 2011, mostly owing to a 4 trillion yuan stimulus package and a loose lending policy. Quarterly GDP growth dropped to 8.1 per cent in the first quarter of 2012, compared to 11.9 per cent in the first quarter of 2010. According to IMF, China would account for an estimated one third of the global growth for the next few years. Exports experienced a recovery in 2010 and 2011 following a significant contraction in 2008, but they have since started to decline. Strong economic recovery has put pressure on consumer prices and wage costs as inflation increased 3.3 per cent in 2010 and 5.4 per cent in 2011. The authorities have continued a restrictive stand in housing policies. While the inflation level is not considered extremely high for a high growth economy such as China's, it has surpassed the Government's 3 per cent target. In 2010, the People's Bank of China raised the benchmark one-year lending rate to 6.31 per cent and raised the reserve ratio to a record high of 20 per cent. In 2011, the Bank continued to raise the reserve ratio to 21.5 per cent before reverting to a loose monetary policy in the end of 2011 by lowering the ratio to 21 per cent in December. As growth slows, China's dilemma is how to counteract today's ebbing growth at the risk of not fully ridding itself of the excesses of its previous rounds of stimulus.

39. India has maintained a relatively high level of economic growth during the period under review. The GDP expanded 8.4 per cent in 2010 and 7.5 per cent in 2011, but growth moderated to 5.3 per cent in the first quarter of 2012. Headline inflation, measured by the consumer price index, rose to 12.1 per cent in 2010 and 8.9 per cent in 2011, as food and fuel prices soared. While the economy has achieved the second highest pace of growth in emerging Asia, it also has the highest inflation level in the region. Rapid growth and escalating inflation have prompted the Central Bank to increase interest rates from 3.25 per cent at the beginning of 2010 to 7.5 per cent by the end of the fiscal biennium. The country's twin deficits continued to worsen. The current account deficit deteriorated from -3.4 per cent in 2010 and -3.6 per cent in 2011, while the budget deficit deepened from -4.1 per cent to -7.2 per cent in the same period.

40. With heavy exposure to exports, the Republic of Korea recovered from a slump in the global demand during the prior fiscal biennium. GDP growth made a sharp recovery from 0.3 per cent in 2009 to 6.3 per cent in 2010. Growth has been moderated to 3.6 per cent in 2011 and 2.8 per cent by the first quarter of 2012. Growth was boosted by exports, namely to China, the country's biggest export market, and private consumption. Current account surplus widened to 3.4 per cent of GDP in 2010 and 2.7 per cent in 2011. The budget deficit turned to a surplus of 1.28 per cent of GDP by 2010. The economy recovered as global recovery spurred demand for electronics and automobiles. The won has since recovered substantially. While inflation rises to the high end of the Government's comfort level of 4 per cent, the

Bank of Korea raised benchmark interest rates by 125 basis points to 3.25 per cent by the end of 2011.

41. In Latin America, Brazil's economy also made a sharp recovery boosted by increased commodity exports and domestic consumption. While Brazil experienced the sharpest recovery in 2010, the country is also dealing with the fastest deceleration by the end of the period. After contracting 0.32 per cent in 2009, the GDP grew 7.59 per cent in 2010, followed by much subdued growth of 2.76 per cent by 2011. The cost of transportation and housing accelerated, while a tight labour market coupled with a low unemployment rate of 6 per cent contributed to a high inflation rate. The Monetary Policy Committee raised the Selic target rate for 200 basis points in 2010 to 10.75 per cent and lowered it to 9.75 per cent by the first quarter of 2012, as inflation stabilized.

42. After contracting 6.2 per cent in 2009, Mexico's GDP recovered to grow 5.5 per cent in 2010 and 3.9 per cent in 2011. The growth was driven by a rebound in United States manufacturing, which increased demand for Mexican exports. An increase in the agriculture and export sectors stimulated domestic demand. Manufacturing was also strong as conditions in the United States improved. Mexico is one of the few countries in emerging markets that has maintained a relatively low level of inflation and a stable monetary policy. Banco de Mexico kept its benchmark interest rate pretty much unchanged at 4.5 per cent in 2011. In Chile, the economy recovered to 6.1 per cent in both 2010 and 2011, as demand for the country's biggest export, copper, rebounded. The economy recovered to a positive growth level owing to record low lending rates of 0.5 per cent at the end of 2009 and improved global demand for commodities.

43. In Eastern Europe, the economic performance of most countries largely turned positive in 2010 from negative levels in 2009. The Russian Federation's economic recovery coincided with accommodating monetary policies and recoveries in commodities and oil prices, as oil and natural gas account for 70 per cent of the country's export revenues. GDP grew 4.3 per cent in both 2010 and 2011. The rate of inflation in Russia accelerated and was one of the highest in Eastern Europe, at 9.5 per cent in 2011. The Central Bank lowered interest rates to a record low of 7.75 per cent in 2010, but raised them back to 8.25 per cent in the second half of 2011, as inflation worsened. Turkey's economy rebounded strongly and GDP reached 9.2 per cent in 2010 and 8.5 per cent in 2011, driven by consumption and exports. The authorities in Turkey managed to control inflation and maintain a stable currency, while keeping the current deficit in check, by taking the controversial step of decreasing interest rates three times when the economy was growing strongly. As a counterbalance, the reserve ratio was lifted to curb excess credit growth. The country still has a massive current account deficit of 9 per cent GDP. Unlike other European countries, Poland never entered into a recession in 2009. The economy accelerated 3.9 per cent in 2010 and 4.3 per cent in 2011. Growth was driven by healthy private consumption and investments, while the country also benefited from strong economic conditions in Germany.

44. In South Africa, manufacturing has recovered, along with demand for exports and better output from the automotive and non-ferrous sectors. GDP expanded 2.9 per cent in 2010 and 3.2 per cent in 2011. Growing global export demand is boosting South African manufacturing output, including metals, which account for a large part of the economy. The employment level remained a significant challenge in

South Africa. The country's current account deficit has improved to -1.5 per cent in 2010 and -3.6 per cent in 2011. Elsewhere in Africa, the world has witnessed a series of sociopolitical uprisings in Tunisia, Egypt, Libya and, most recently, the Syrian Arab Republic. While these developments could pave the way for sustainable economic growth in these countries in the long term, they could depress economic expansion and increase market volatility in the short to medium time period.

45. In summary, emerging market economies experienced a synchronized recovery in 2010 and 2011. Although a hard landing was averted in the period under review, emerging markets were not immune to the global slowdown. Growth has fallen to a moderated level since the end of 2011 and has deteriorated further in the first quarter of 2012. Emerging economies have been the major drivers and beneficiaries of the economic prosperity of the past decade. The IMF estimated that emerging markets will contribute as much as 80 per cent of the real global GDP growth in 2012. As a group, they will continue to grow at twice the pace of the developed economies. The coming year can be challenging, as growth becomes harder to sustain. While inflation is generally contained and monetary policies are accommodating in general, recession in developed countries could impact emerging market growth and the lingering credit crisis in Europe could dampen stock returns, as risk aversion and volatility persist. For additional information on emerging markets, please refer to the annex to the present report. Under the fiscal biennium under review, non-BRIC countries, such as Indonesia and Thailand, were the top performers within emerging market equities. The Fund's existing tax restrictions in Indonesia and Thailand precluded it from investing in these attractive markets. The Investment Management Division implemented an alternative solution through United States dollar-denominated ETFs that had reduced the under-exposure risk of the Fund to these markets. The Division will continue to resolve or find alternatives to other investment restrictions in emerging markets to minimize deviations and risk to the benchmark that could hurt performance. Restrictions include insufficient trading liquidity in the smaller capitalization stocks and the ability to access local shares in the Russian Federation.

IV. Diversification

46. Diversification is the investment of assets among a variety of securities or among securities in a variety of markets with the goal of controlling risk in a portfolio without proportionately reducing the expected return. The Fund's policy of broad diversification of its investments by currency, type of asset classes and geographical area continues to be the reliable method of improving the risk return profile of the Fund's portfolio over long periods of time. Investments in only one asset class would have been detrimental to the performance of the Fund since diversification of risk would not have been achieved. The Fund is unique among major pension funds in its commitment to diversifying its portfolio on a fully global basis.

47. Exposure to equities was kept above the neutral 60 per cent long-term strategic guideline through 30 June 2011. In the third quarter of 2011, the Fund reduced its equities exposure in developed markets from 65.3 per cent to approximately 60.0 per cent and as of 30 September 2011 the allocation was further reduced to 58.7 per cent. At the end of fiscal year 2012, equities were at 60.6 per cent. Bonds were kept below the 31 per cent long-term strategic target guideline. On 1 April 2010, the bond portfolio began at 28.6 per cent of the portfolio and increased

slightly to 28.8 per cent at the end of March 2012. Exposure to real estate increased from 3.6 per cent of the portfolio on 1 April 2010 to 4.5 per cent at the end of March 2012. Cash and short-term investments started at 2.4 per cent on 1 April 2010, and ended the fiscal biennium on 31 March 2012 at 4.8 per cent. The investment portfolios are continuously being rebalanced following the quarterly meetings of the Investments Committee to achieve the tactical asset allocation decided by the Representative of the Secretary-General.

48. In addition to changing the proportions of the various asset classes in the portfolio, changes were made within asset classes to implement the Fund's investment strategy and to take advantage of new trends in economic cycles and financial markets. By the end of fiscal year 2012, exposure to North America equities was kept 0.9 per cent above the benchmark; exposure to European equities was reduced and kept below the policy benchmark because of concerns in the euro zone region, particularly in Greece, Spain, Italy, Ireland and Portugal. At the end of the fiscal year 2012, the Fund had no direct exposures to sovereign debt issued by these countries. Investments in emerging market equities were increased during the fiscal biennium. The Fund maintained a modest underweight in the financial sector and continued to limit exposures, particularly from the third quarter of 2007 onwards. At the end of the fiscal biennium, the Fund had maintained an overweight position in the information technology, industrials, materials and consumer discretionary sectors. This broad diversification of the Fund reduces risk across currencies and markets.

49. The fixed income portfolio invested in 16 different currencies, 38 per cent of which is in United States dollars and 62 per cent in non-United States dollar currencies. In terms of geographical diversification, as at 31 March 2012, the fixed income portfolio was invested in 30 countries and 5 supranational and regional institutions. The Fund has diversified its asset class mix by investing in alternative assets. It initiated two new commitments in the United States energy infrastructure totalling $100 million. As at 31 March 2012, infrastructure investments totalled $17.8 million, or .03 per cent of the Fund. On 30 June 2010, the Investment Management Division signed a contract with the African, Latin American and Caribbean Fund, a private equity fund that is managed by International Finance Corporation, which is a member of the World Bank Group. As at 31 March 2012, the private equity asset class had seven active partnerships across different strategies, totalling investments of $125.3 million, or 0.3 per cent of the Fund, thereby further diversifying the Fund's allocation in developing countries. In November 2010, the Fund invested $200 million in commodities, which has added to the asset class diversification. The Fund is focused on boosting performance by emphasizing opportunistic investments and diversifying by industry and geography.

50. In terms of geographical diversification, the proportion of the Fund invested in North America increased to 45.7 per cent in March 2012, from 43.1 per cent in March 2010. Investments in Europe decreased to 25.4 per cent from 29.3 per cent, while in Asia and the Pacific, the proportion of investments decreased slightly to 18.0 per cent, from 18.5 per cent, during the movements in currencies and interest rates. As at 31 March 2012, the Fund had a negative currency contribution of 1.8 per cent. Equity, bond and real estate investments denominated in currencies other than the United States dollar had a negative contribution to the performance from the currency effect, as the United States dollar appreciated against the major currencies. With geographic changes, currency diversification also changed. Diversification in terms of asset class, currency and region had a significant impact on the performance

of the Fund. Investing in only one currency other than the United States dollar would have had a negative impact on the performance, as the movements of the currencies against the dollar are not synchronized. There were several times when the total returns were negative in local currencies but positive in United States dollar terms. Areas of the Fund's investment are shown in the table below.

Table 1
Market value of Fund investments by country or area as at 31 March 2012[a]

Country/area	*Amount (in millions of United States dollars)*	*Percentage*
Australia	1 156.1	2.68
Austria	49.5	0.11
Belgium	55.2	0.13
Brazil	768.2	1.78
Canada	2 405.7	5.58
Chile	69.9	0.16
China	1 377.5	3.20
Colombia	6.8	0.02
Czech Republic	42.1	0.10
Denmark	69.3	0.16
Estonia	37.1	0.09
Europe region	193.7	0.45
Finland[b]	206.5	0.48
France	1 506.6	3.50
Germany	1 916.1	4.45
Guernsey, Channel Islands	25.8	0.06
Hungary	0.0	0.00
India	335.8	0.78
Indonesia	20.5	0.05
Ireland	40.3	0.09
Israel	52.1	0.12
Italy	77.4	0.18
Japan	2 867.4	6.65
Lithuania	34.1	0.08
Malaysia	658.0	1.53
Mexico	646.4	1.50
Netherlands	542.3	1.26
New Zealand	36.9	0.09
Norway	629.3	1.46
Poland	718.0	1.67
Republic of Korea	917.6	2.13
Russian Federation	371.7	0.86

Country/area	*Amount (in millions of United States dollars)*	*Percentage*
Singapore	383.5	0.89
South Africa	394.8	0.92
Spain	263.7	0.61
Sweden	716.4	1.66
Switzerland	903.4	2.10
Thailand	23.7	0.05
Turkey	82.1	0.19
United Kingdom of Great Britain and Northern Ireland	3 022.8	7.01
United States of America	17 286.1	40.12
Venezuela (Bolivarian Republic of)	25.3	0.06
Africa region	209.9	0.49
Asia region	239.0	0.55
Emerging markets region[c]	40.9	0.09
International region[c]	345.3	0.80
Latin America region	27.4	0.06
Middle East region	16.9	0.04
Multinational agencies region	1 275.8	2.96
Total Fund	**43 090.9**	**100.00**

[a] Country of investment is generally based on domicile of issuer. Convertible securities are classified by security into which they are convertible.
[b] Countries with investments in real estate with less than 0.01 per cent of the Total Fund.
[c] International refers to investments in international development institutions, such as the World Bank. Emerging markets and euro funds are invested in a number of countries under the particular area or currency.

Table 2
Fund investments in developed markets[a]

	Equities		*Fixed income*	
Country/area	*31 March 2010*	*31 March 2012*	*31 March 2010*	*31 March 2012*
Australia	✓	✓	✓	✓
Austria	–	–	–	✓
Belgium	✓	✓	–	✓
Canada	✓	✓	✓	✓
Denmark	✓	✓	✓	–
Finland	–	✓	–	✓
France	✓	✓	✓	✓
Germany	✓	✓	✓	✓
Greece	✓	–	–	–
Ireland	✓	✓	✓	✓
Israel	✓	✓	–	–

Country/area	Equities		Fixed income	
	31 March 2010	31 March 2012	31 March 2010	31 March 2012
Italy	✓	✓	–	–
Japan	✓	✓	✓	✓
Netherlands	✓	✓	✓	✓
New Zealand	✓	✓	✓	✓
Norway	✓	✓	✓	✓
Portugal	–	–	–	–
Singapore	✓	✓	✓	✓
Spain	✓	✓	✓	✓
Sweden	✓	✓	✓	✓
Switzerland	✓	✓	✓	–
United Kingdom of Great Britain and Northern Ireland	✓	✓	✓	✓
United States of America	✓	✓	✓	✓
Total	**20**	**20**	**16**	**17**

[a] Classification based on MSCI definition of developed markets.

Table 3
Fund equity and fixed income investments in emerging markets

	Equities[a]			Fixed income	
	31 March 2010	31 March 2012		31 March 2010	31 March 2012
Argentina	–	–	Angola	✓	✓
Bahrain	✓	✓	Argentina	✓	✓
Botswana	✓	✓	Azerbaijan	–	✓
Brazil	✓	–	Bosnia and Herzegovina	✓	✓
Bulgaria	–	–	Botswana	–	–
Chile	✓	✓	Brazil	✓	✓
China	✓	✓	Cayman Islands	✓	–
Colombia	✓	✓	Chile	✓	✓
Congo	–	–	China	✓	✓
Côte d'Ivoire	–	–	Colombia	–	–
Cyprus	–	–	Côte d'Ivoire	✓	–
Czech Republic	–	✓	Croatia	✓	✓
Egypt	✓	✓	Cyprus	–	–
Ghana	✓	✓	Czech Republic	✓	✓
Estonia	–	–	Democratic People's Republic of Korea	✓	✓
Hungary	✓	–	Dominican Republic	✓	✓
India	✓	✓	Ecuador	✓	✓

	Equities[a]			*Fixed income*	
	31 March 2010	*31 March 2012*		*31 March 2010*	*31 March 2012*
Indonesia	–	✓	Egypt	✓	✓
Jordan	✓	–	El Salvador	✓	✓
Kazakhstan	–	–	Estonia	✓	✓
Kenya	✓	✓	Fiji	✓	–
Kuwait	✓	✓	Georgia	✓	✓
Kyrgyzstan	–	–	Ghana	✓	✓
Lebanon	✓	–	Grenada	✓	✓
Lithuania	–	–	Hungary	✓	✓
Malawi	✓	✓	India	–	✓
Malaysia	✓	✓	Indonesia	–	–
Marshall Islands	–	–	Iraq	✓	✓
Mauritius	✓	✓	Israel	–	–
Mexico	✓	✓	Ivory Coast	✓	✓
Morocco	✓	–	Jordan	✓	✓
Namibia	✓	✓	Kazakhstan	✓	✓
Nigeria	✓	✓	Lithuania	✓	✓
Oman	✓	✓	Malawi	✓	–
Pakistan	–	–	Malaysia	✓	✓
Palestine	✓	✓	Mauritius	–	–
Panama	–	–	Mexico	✓	✓
Peru	–	–	Moldova	–	–
Philippines	–	–	Montenegro	–	✓
Poland	✓	–	Morocco	–	–
Qatar	✓	–	Nepal	–	–
Republic of Korea	✓	✓	Nigeria	✓	✓
Russian Federation	✓	✓	Oman	–	–
Rwanda	–	✓	Peru	–	–
Saudi Arabia	✓	✓	Philippines	✓	–
Senegal	✓	✓	Poland	✓	✓
South Africa	✓	✓	Qatar	✓	–
Sri Lanka	–	–	Republic of Korea	✓	–
Tanzania	–	✓	Russian Federation	✓	✓
Thailand	–	✓	Serbia	–	✓
Tunisia	✓	✓	Seychelles	–	✓
Turkey	✓	✓	South Africa	✓	✓
Turkmenistan	–	–	The former Yugoslav Republic of Macedonia	✓	✓
Ukraine	–	–	Trinidad and Tobago	✓	✓
United Arab Emirates	✓	✓	Turkey	✓	✓

	Equities[a]	
	31 March 2010	*31 March 2012*
Venezuela (Bolivarian Republic of)	–	–
Viet Nam	–	–
Zambia	✓	✓
Zimbabwe	✓	✓
Total	**35**	**34**

	Fixed income	
	31 March 2010	*31 March 2012*
Tunisia	–	✓
Uganda	–	✓
Ukraine	✓	✓
Uruguay	✓	✓
Venezuela (Bolivarian Republic of)	✓	✓
Viet Nam	–	–
Zambia	✓	–
Total	**42**	**43**

[a] On 30 June 2010, the Investment Management Division signed a contract with the African, Latin American and Caribbean Fund, a private equity fund that is managed by International Finance Corporation Asset Management Company. The Investment Management Division is seeking more opportunities to invest in the emerging markets.

Note: The classification used in this table to identify countries as "emerging markets" follows the established conventions of financial markets.

V. Investment returns

A. Total return

51. The market value of the Fund's assets increased from $38,348 million as at 31 March 2010 to $43,091 million as at 31 March 2012, an increase of $4,743 million, or approximately 9.0 per cent. The total investment return was 11.9 per cent for the fiscal year ending 31 March 2011 and 0.6 per cent for the fiscal year ending 31 March 2012. After adjustment by the United States consumer price index, these returns represent real rates of return of 8.9 per cent and -2.0 per cent, respectively.

52. 2011 was a tumultuous year in the financial markets, with financial authorities and investors focused on ways that the euro zone crisis might be resolved. An all time record fund balance of over $44 billion was reached in April 2011. Declines were experienced in following months as markets reacted negatively to the euro zone debt crisis. For the fiscal year 2011, United States equity returned 14.9 per cent in 2011 and 6.7 per cent in 2012. Non-United States equity returned 13.1 per cent in 2011 and -7.3 per cent in 2012. Total equities returned -1.2 per cent in 2012 and 13.8 per cent in 2011. Equities represented 67.1 per cent and 60.6 per cent of the total Fund in 2011 and 2012, respectively. United States bonds showed returns of 5.4 per cent in 2011 and 6.9 per cent in 2012. Non-United States bonds returned 10.3 per cent in 2011 and 3.1 per cent in 2012. Real estate performance was 12.5 per cent in 2011 and 10.8 per cent in 2012. Short-term investments returned 1.3 per cent in 2011 and 1.2 per cent in 2012.

53. The rates of return shown in the present report have been calculated by an outside master record-keeper, using a generally accepted method that was elaborated in the report on the management of the investments submitted to the Board at its

thirty-fourth session.[1] The calculation includes actual income received from dividends and interest, as well as realized capital gains and losses. It also takes into account changes in the market value of the investments and the timing of cash flows.

B. Comparisons of investment returns

54. The Fund continues to be geographically the most widely diversified pension fund that maintains its accounts in the United States but has liabilities in several other currencies. At the end of the period under review, the Fund had more than 50 per cent of its assets in currencies other than the United States dollar.

55. During the fiscal year ending 31 March 2011, the Fund returned 11.9 per cent and underperformed the policy benchmark by 0.5 per cent. The policy benchmark is comprised of 60 per cent MSCI All Country World Index, 31 per cent Barclays Capital Global Aggregate Bond Index, 6 per cent National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Diversified Core Equity Index and 3 per cent of the Merrill Lynch 91-day Treasury bill. For the fiscal year ending 31 March 2012, the Fund underperformed the benchmark with the return of -2.1 per cent. Over the last 15 years, the Fund achieved an annualized return of 6.9 per cent, outperforming 6.2 per cent return of the 60/31 benchmark.

56. Over the last 15 years, the MSCI All Country Index had a total annualized return of 5.6 per cent, compared with the annualized return of 6.3 per cent achieved by the Fund's equity asset class. During the same period, Barclays Capital Global Aggregate Index had annualized returns of 6.1 per cent compared to the annualized return of 6.6 per cent achieved by the Fund's bond portfolio. As at 31 March 2012, the Fund had investments in 41 countries, 7 international and regional institutions and 23 currencies.

57. **Risk management**. The diversification of the Fund and its conservative practice of investing in higher quality companies have continued to protect the Fund. The Investment Management Division has been extensively utilizing the newly implemented RiskMetrics system as a decision support tool for monitoring absolute and relative downside risks.

58. **Infrastructure improvements**. In January 2010, the Investment Management Division inaugurated the use of an electronic trade order management system and integrated it with the secure Society for Worldwide Interbank Financial Telecommunication (SWIFT) financial telecommunications system, which went live at the time of the last Pension Board meeting. These systemic improvements have created an infrastructure that will benefit the Fund for years to come, reducing costs and enhancing the security of funds transfers. With an improved infrastructure, the Fund is now a safer client, meeting the highest industry standards.

59. Since 2010, the Investment Management Division Risk Management and Compliance Section has instituted several key policies that confirm the Division's commitment to the highest standards of ethics, good governance, competence and integrity. The personal securities policy provides guidance for personal investment activity that has the potential to create actual or apparent conflicts of interest between Division staff and the investment management of the Fund. The gift and

[1] JSPB/34/R.10.

hospitality policy seeks to avoid situations in which personal interests could conflict with, or appear to conflict with, the interests of the Division or the Fund. In view of the higher standard required for officials carrying out functions in sensitive areas, the Division has adopted a zero-tolerance rule for the receipt of gifts from any entity having or seeking to have a business relationship with it. The mandatory leave policy requires that Division staff in a position of fiduciary duties take a period of annual leave that is at least 10 consecutive working days in duration. The reason for this control is that certain types of fraud can sometimes come to light when the person responsible is not around to conceal it. The communication practices and document retention policy defines proper communication practices, including social networking, and the retention of official documentation so as to ensure the security and integrity of the Fund.

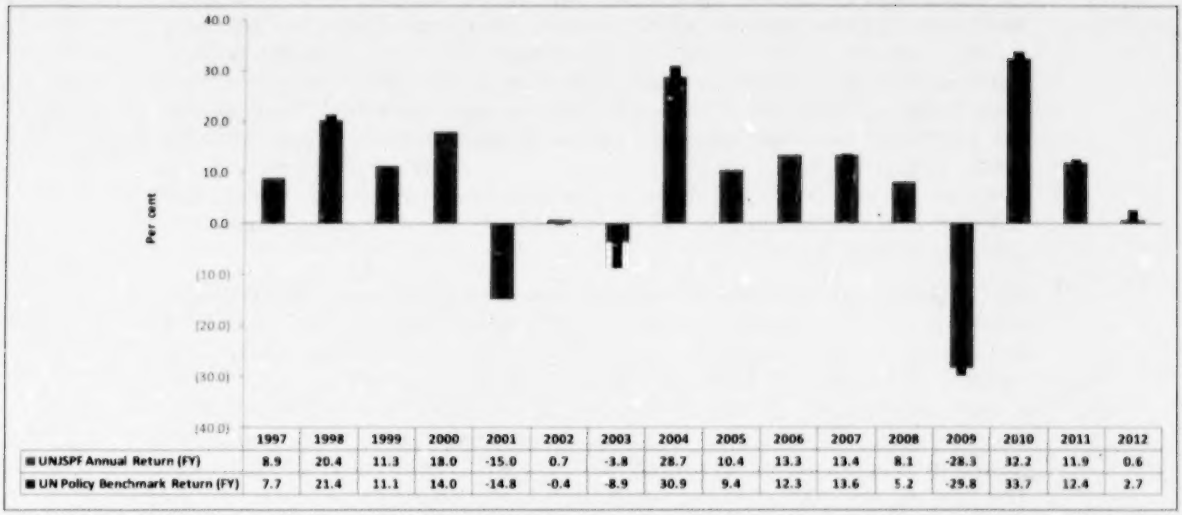
60. **Multiple custodians and independent master record-keeper**. The independent master record-keeper contract was signed with Northern Trust effective 1 June 2012. The contract for global custodial services for emerging and frontier markets was signed with Citibank, N. A. effective 2 July 2012. As of the writing of this report, account openings and conversion of assets from Northern Trust to Citibank, N. A. were under way. The contract negotiation with another bank failed and a new request for proposal for global custody services for developed markets is under way. This new multiple custodians and independent master record-keeper model was put in place in order to minimize risks as a result of experience gained in the 2008 economic crisis that affected financial institutions worldwide.

61. **Global tax advisory services**. The Fund is currently in the process of hiring a global tax adviser to assist in its tax reclamation exercise. Efforts to establish tax reclaims in jurisdictions where there are no existing tax reclamation procedures have been arduous and time-consuming for the Fund's current human resources. The global tax adviser will assist the Fund in this endeavour and will conduct a comprehensive review of all tax receivables as to their recoverability. They will also assist the Fund in restructuring the Fund's limited partnership agreements with the private real estate and private equity funds to ensure tax exemption.

C. Long-term rates of return

62. From 1 April 2010 to 31 March 2012, the Fund encompassed volatile markets in the history of the United Nations Joint Staff Pension Fund. Historically, equity markets had strong positive returns from 1993 to 2000, but declined sharply in the following three consecutive years. From 2004 to 2008, the equity markets had positive returns. Since then, the markets have experienced volatility. For the past two fiscal years 2011 and 2012, the Fund's returns were 11.9 per cent and 0.6 per cent, underperforming the policy benchmark by 0.5 per cent and 2.07 per cent, respectively.

Figure I
United Nations Joint Staff Pension Fund long-term rates of return

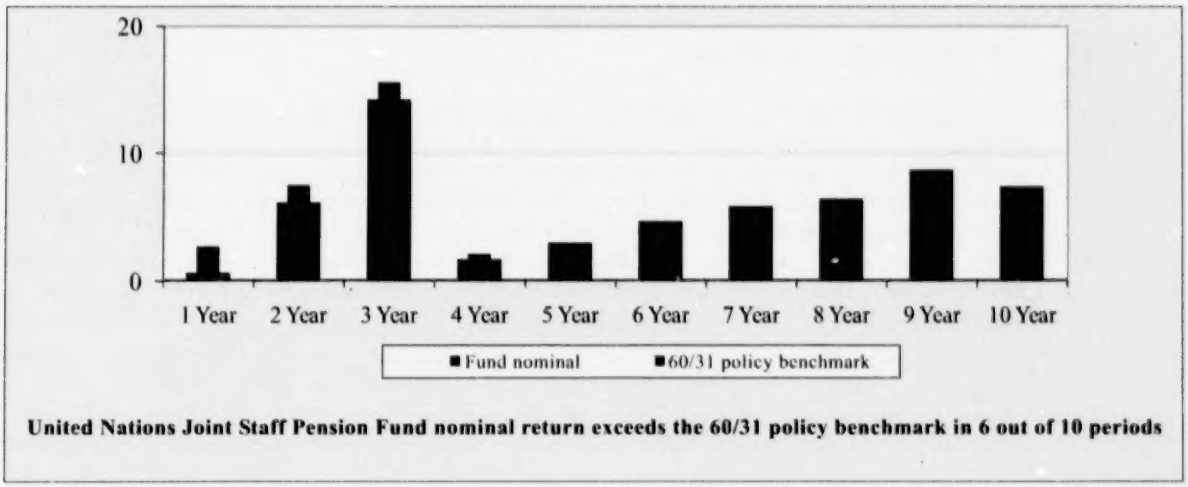


	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
UNJSPF Annual Return (FY)	8.9	20.4	11.3	18.0	-15.0	0.7	-3.8	28.7	10.4	13.3	13.4	8.1	-28.3	32.2	11.9	0.6
UN Policy Benchmark Return (FY)	7.7	21.4	11.1	14.0	-14.8	-0.4	-8.9	30.9	9.4	12.3	13.6	5.2	-29.8	33.7	12.4	2.7

Abbreviation: FY, fiscal year.

63. As the chart following illustrates, the Fund exceeded the policy benchmark in 6 out of the 10-year rolling periods through 31 March 2012. The annualized total rate of return over the 50-year period for which data was available was 8.2 per cent, representing a real rate of return of 3.8 per cent after adjustment by the United States consumer price index.

Figure II
Rolling year performance through 31 March 2012



United Nations Joint Staff Pension Fund nominal return exceeds the 60/31 policy benchmark in 6 out of 10 periods

Table 4

Total Fund: annual total rate of return

(percentages based on market value 31 March 1962-31 March 2012)

	Equities				Bonds						
Year	*United States*	*Outside United States*	*Total*	*MSCI World Index*[a]	*United States*	*Outside United States*	*Total*[c]	*SBGWBI Bond Index*[d]	*Real estate*	*Short term*	*Total Fund*
1961	18.8	37.8	19.4	–	–	–	8.0	–	–	–	12.7
1962	12.37	0.87	11.65	–	–	–	3.91	–	–	–	6.61
1963	(0.60)	(16.34)	(0.59)	–	–	–	5.49	–	–	–	4.07
1964	18.18	7.48	17.45	–	–	–	2.12	–	–	–	8.24
1965	10.89	8.30	10.44	–	–	–	4.41	–	–	–	6.98
1966	4.53	3.22	4.31	–	–	–	(2.14)	–	–	–	0.66
1967	11.76	(2.32)	8.98	–	–	–	3.97	–	–	–	7.91
1968	2.86	28.30	7.46	–	–	–	(4.89)	–	–	–	1.60
1969	13.35	20.07	14.64	–	–	–	2.66	–	–	–	9.09
1970	(5.10)	(2.18)	(4.49)	–	–	–	1.41	–	–	–	(1.75)
1971	13.94	3.31	11.46	9.28	–	–	14.10	–	–	8.73	13.53
1972	14.13	34.30	18.33	16.92	–	–	9.41	–	11.58	7.15	16.98
1973	5.85	20.77	9.49	13.47	–	–	7.40	–	4.78	5.92	8.55
1974	(16.70)	(21.48)	(18.10)	(16.40)	–	–	1.92	–	10.18	10.70	(13.55)
1975	(11.20)	11.60	(5.16)	(6.09)	6.20	14.63	6.55	–	(1.03)	12.35	0.18
1976	16.37	10.76	14.58	15.59	11.22	1.91	10.02	–	5.16	7.70	13.16
1977	(8.25)	(3.75)	(6.62)	(0.95)	10.40	15.20	11.06	–	3.70	5.20	(0.26)
1978	(5.60)	20.31	4.16	6.11	5.62	24.39	8.72	–	8.25	7.67	6.12
1979	22.36	21.67	22.07	21.27	4.70	12.50	6.63	8.04	16.86	8.56	15.07
1980	10.89	(10.31)	1.08	(0.18)	(9.53)	(4.64)	(7.63)	(13.16)	17.42	11.75	(0.39)
1981	43.19	39.60	41.45	34.80	14.99	9.45	12.51	20.38	14.71	15.76	26.60
1982	(17.88)	(19.64)	(18.77)	(15.00)	11.08	0.40	6.20	(0.69)	17.51	17.95	(7.85)
1983	40.91	23.60	33.55	31.60	32.53	14.54	24.89	20.54	7.07	12.76	27.05
1984	5.08	32.46	15.66	17.30	5.46	12.42	8.67	8.20	13.33	13.07	13.01
1985	20.75	(6.82)	9.54	7.20	17.86	(8.22)	4.53	5.50	13.47	3.62	8.09
1986	34.95	58.48	43.44	56.02	54.30	50.33	51.21	48.70	10.75	6.95	41.52

	Equities				Bonds						
Year	*United States*	*Outside United States*	*Total*	*MSCI World Index*[a]	*United States*	*Outside United States*	*Total*[c]	*CGWGBI Bond Index*[d]	*Real estate*	*Short term*	*Total Fund*
1987	21.63	43.88	30.01	43.22	9.14	32.63	22.59	17.42	12.67	11.97	24.69
1988	(12.18)	2.15	(4.74)	5.81	3.26	20.24	12.65	11.42	9.19	7.67	3.10
1989	13.20	10.00	11.30	13.56	2.10	(5.50)	(2.49)	0.36	8.20	10.40	5.90
1990	21.54	13.21	16.57	(2.30)	10.47	2.93	6.20	3.12	12.31	9.72	11.56
1991	8.9	1.2	4.5	3.2	12.5	17.4	15.0	16.2	5.1	13.1	8.9
1992	11.3	0.1	4.9	(0.5)	13.7	14.0	14.0	14.0	(4.1)	6.5	7.6
1993	17.3	6.7	11.2	12.7	15.9	17.7	16.9	19.0	(6.6)	7.5	11.6
1994	(2.7)	24.4	12.4	14.0	3.4	10.1	7.7	6.8	0.5	3.0	9.7
1995	11.1	6.5	8.1	9.8	2.9	18.6	12.9	12.1	0.0	5.0	8.7
1996	30.2	15.1	20.5	20.6	8.0	3.3	5.1	5.3	10.4	4.1	14.6
1997	18.9	7.2	11.6	9.8	6.2	2.5	3.6	1.2	8.6	4.4	8.9
1998	45.4	15.4	27.3	32.4	10.6	4.3	7.0	5.4	18.9	7.0	20.4
1999	18.4	9.7	13.9	13.0	4.8	9.0	6.5	10.0	4.8	9.9	11.3
2000	17.5	39.9	28.5	21.6	3.1	(5.7)	(2.5)	(0.3)	11.7	3.0	18.0
2001	(17.2)	(30.3)	(24.2)	(25.1)	13.0	(4.2)	2.0	(1.7)	11.3	4.2	(15.0)
2002	2.8	(6.1)	(1.3)	(4.2)	4.9	2.1	3.1	0.5	8.4	3.5	0.7
2003	(23.9)	(21.7)	(23.1)	(24.2)	15.9	34.9	28.4	25.2	8.5	11.1	(3.8)
2004	29.3	56.5	42.5	43.9	6.8	19.4	15.7	13.5	23.9	8.1	28.7
2005	6.3	16.9	11.8	11.1	1.2	10.5	7.8	5.5	15.8	2.5	10.4
2006	13.1	28.8	21.3	18.6	2.4	(4.4)	(2.8)	(2.0)	30.5	2.9	13.3
2006				20.3[b] MSCI ACWI				(2.6)[e] BCGA			12.3 60/31[f]
2007	9.4	20.6	15.7	16.4 MSCI ACWI	7.1	9.4	8.4	8.1 BCGA	24.0	5.5	13.4 60/31[f]
2008	(0.6)	5.9	3.4	(0.7) MSCI ACWI	8.3	18.4	15.1	15.3 BCGA	9.0	8.3	8.1 60/31[f]
2009	(34.6)	(45.1)	(41.0)	(42.7) MSCI ACWI	(1.4)	(12.6)	(8.6)	(4.9) BCGA	(22.9)	3.9	(28.3) 60/31[f]

Year	Equities				Bonds				Real estate	Short term	Total Fund
	United States	Outside United States	Total	MSCI World Index[a]	United States	Outside United States	Total[c]	CGWGBI Bond Index[d]			
2010	42.6	62.2	54.1	56.3 MSCI ACWI	5.9	16.7	10.8	10.2 BCGA	(17.4)	(2.7)	32.2 60/31[f]
2011	14.9	13.1	13.8	14.6 MSCI ACWI	5.4	10.3	8.2	7.1 BCGA	12.5	1.3	11.9 60/31[f]
2012	6.7	(7.3)	(1.2)	(0.2) MSCI ACWI	6.9	3.1	4.6	5.3 BCGA	10.8	1.2	0.6 60/31[f]

[a] MSCI Indices provide exhaustive equity market coverage for over 70 countries in the developed, emerging and frontier markets, applying a consistent index construction and maintenance methodology.

[b] MSCI All Country World Index (MSCI ACWI) consists of 45 country indices comprising 24 developed and 21 emerging market country indices.

[c] The proportion of bonds held outside the United States was not significant prior to 1975.

[d] Citigroup World Government Bond Index (CGWGBI) consists of 18 major bond markets; the name Salomon Smith Barney World Government Bond Index (SBGWBI) was changed to the name Citigroup World Government Bond Index (CGWBI).

[e] Barclays Capital Global Aggregate (BCGA) — effective 3 November 2008; bond index name change from Lehman Brothers Global Aggregate to Barclays Capital Global Aggregate (BCGA).

[f] The 60/31 policy benchmark is composed of 60 per cent MSCI All Country World Index, 31 per cent Barclays Capital Global Aggregate Index, 6 per cent NCREIF Open Ended Diversified Core Equity Index, and 3 per cent 91-day treasury bill.

Table 5
Total Fund: annual rates of return based on market value
(Percentages for selected periods ending 31 March 2012)

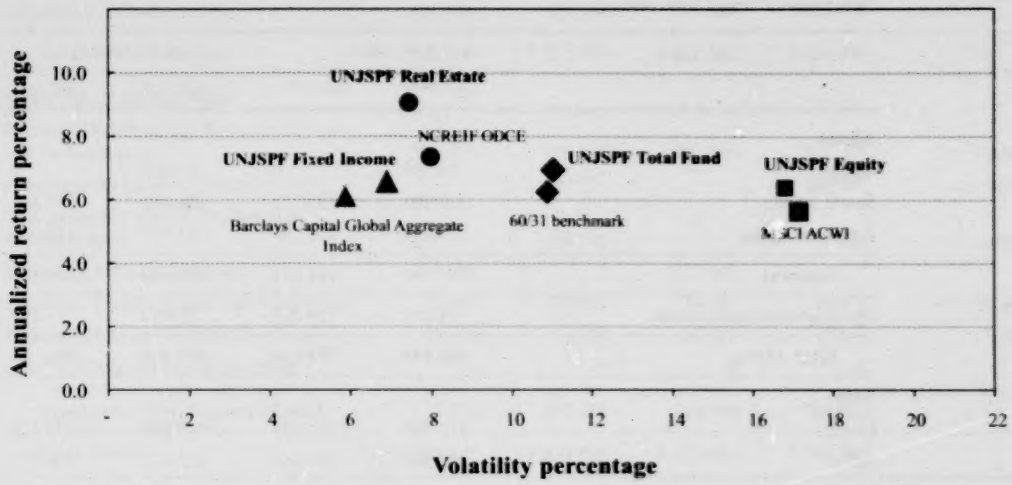
	2012	*2011*	*2010*	*2009*	*2008*	*5 years through 2012*	*10 years through 2012*	*15 years through 2012*
United States equities	6.7	14.9	42.6	-34.6	-0.6	4.2		
Equities outside United States	-7.3	13.1	62.2	-45.1	3.9	6.7		
Total equities	**-1.2**	**13.8**	**54.1**	**-41.0**	**3.4**	**4.4**	**6.1**	**7.3**
United States bonds	6.9	5.4	5.9	-1.4	8.3	5.0		
Bonds outside United States	3.1	10.3	16.7	-12.6	18.4	7.8		
Total bonds	**4.6**	**8.2**	**10.8**	**-8.6**	**15.1**	**6.5**	**8.2**	**6.5**
Real estate related	10.8	12.5	-17.4	-22.9	9.0	-0.6	7.9	8.9
Short-term investments	1.2	1.3	-2.7	3.9	8.3	3.2	4.4	
Total Fund in United States dollars	**0.6**	**11.9**	**32.2**	**-28.3**	**8.1**	**5.4**	**7.3**	**7.5**
Inflation-adjusted return (based on United States consumer price index)	**-2.1**	**9.2**	**29.2**	**-28.1**	**4.0**	**0.7**	**4.8**	**4.5**

D. Risk return profile

64. Over the past 15 years, the Fund's average annual return of 6.9 per cent was higher than the benchmark's return of 6.2 per cent. The Fund's volatility of 11.0 per cent was slightly higher than that of the benchmark's 10.8 per cent volatility. The Fund had a well-diversified portfolio that included all major asset classes and securities.

65. Within asset classes, the Fund's equity portfolio return of 6.4 per cent outperformed the MSCI AC World Index return of 5.6 per cent, and the Fund's equity portfolio had a much better risk profile (16.8 per cent), compared to the MSCI AC World Index (17.2 per cent). The bond portfolio, with 15-year average return of 6.6 per cent, outperformed the Barclays Capital Global Aggregate Index return of 6.1 per cent, but had higher volatility (6.9 per cent) compared to the Barclays Capital Global Aggregate Index (5.9 per cent).

Figure II
United Nations Joint Staff Pension Fund 15-year risk/return profile versus indices through 31 March 2012



Abbreviation: ODCE, Open-End Diversified Core.

VI. Investments in developing countries

66. The Fund continues to make efforts to invest in developing countries to the extent that this has been consistent with the interests of participants and beneficiaries. Direct and indirect investments in developing countries amounted to $5.9 billion on 31 March 2012, an increase of approximately 23 per cent from $4.8 billion at cost on 31 March 2010. The increases were in the developing Asia, Africa, Europe and Latin America regions.

67. The Investment Management Division continues to explore possible investment opportunities in developing countries. Investment visits were undertaken in Africa, Asia, Latin America and Eastern Europe during the period under review. The Fund continues to review its exposure in these markets in search of suitable investment instruments while taking into account the overall investment criteria and strategy of the Fund.

Table 6
Development-related investments: book value as at 31 March 2010 and 31 March 2012
(in thousands of United States dollars)

	Book value		*Market value*		*Two-year annualized return (percentage)*
	Total 2010	*Total 2012*	*Total 2010*	*Total 2012*	
Africa					
Egypt	14 799	0	17 226	0	n/a[a]
South Africa	242 903	293 376	350 483	394 822	n/a[a]
Regional funds	110 044	131 295	121 707	118 606	(1.28)
Subtotal	**367 746**	**424 671**	**489 416**	**513 428**	
Development institutions	79 203	79 203	85 912	91 299	
Total Africa	**446 949**	**503 874**	**575 328**	**604 727**	
Asia					
China	872 935	1 130 676	1 140 989	1 377 518	n/a[a]
India	180 663	287 467	302 472	335 822	n/a[a]
Malaysia	513 681	563 941	562 907	657 997	n/a[a]
Qatar	10 002	0	10 462	0	n/a[a]
Republic of Korea	653 007	685 006	795 906	917 559	n/a[a]
Singapore	180 568	334 497	253 741	383 485	
Regional funds	261 624	117 263	216 141	202 198	
Subtotal	**2 672 480**	**3 118 850**	**3 282 618**	**3 874 579**	
Development institutions	55 118	30 173	58 739	36 775	
Total Asia	**2 727 598**	**3 149 023**	**3 341 357**	**3 911 354**	
Europe					
Cyprus	0	0	0	0	n/a[a]
Turkey	73 312	52 691	110 793	82 076	(1.25)
Regional funds	0	0	0	0	n/a[a]
Subtotal	**73 312**	**52 691**	**110 793**	**82 076**	
Development institutions	0	297 804	0	331 951	
Total Europe	**73 312**	**350 495**	**110 793**	**414 027**	
Latin America					
Argentina	0	0	0	0	n/a[a]
Brazil	276 823	590 677	571 686	768 176	n/a[a]
Chile	20 056	47 692	45 499	69 880	n/a[a]
Colombia	2 951	2 951	4 830	6 832	21.72
Mexico	444 034	472 501	593 348	646 448	n/a[a]
Venezuela (Bolivarian Republic of)	19 965	19 965	24 023	25 316	n/a[a]
Regional funds	0	0	0	0	
Subtotal	**763 829**	**1 133 786**	**1 239 386**	**1 516 652**	

	Book value		*Market value*		*Two-year annualized return (percentage)*
	Total 2010	*Total 2012*	*Total 2010*	*Total 2012*	
Development institutions	136 316	98 587	141 999	107 778	
Total Latin America	**900 145**	**1 232 373**	**1 381 385**	**1 624 430**	
Other development funds					
International Bank for Reconstruction and Development	318 025	526 598	351 964	597 238	n/a[a]
International Finance Commission		104 177		106 761	n/a[a]
International Finance Facility for Immunization		24 406		27 120	n/a[a]
European Investment Bank	315 002	[b]	323 446	[b]	
Fiduciary Emerging Market Bond Fund	21 600	26 902	36 951	40 870	24.39
Emerging Market Middle East Fund	19 746	15 145	15 793	16 871	3.36
Emerging Market Investors Fund	0	0	0	0	
Total other development funds	**674 373**	**697 228**	**728 154**	**788 860**	
Grand total	**4 822 377**	**5 932 993**	**6 137 017**	**7 343 398**	

[a] n/a denotes cases in which the securities are not held at the beginning/ending period in a custom region and the returns are not available from the independent master record-keeper.

[b] 2012 figures are provided under "Europe, development institutions", above.

VII. Conclusion

68. The United Nations Joint Staff Pension Fund, like all other Fund managers, has been experiencing turbulence related to the global financial crisis of unprecedented volatility of the past years. It is achieving the long-term investments objective both in the actuarial requirement of 3.5 per cent real return and the relative performance against the policy benchmarks in the last 10 years. In seeking potential enhancement of the investment return and further diversification, the Investment Management Division has started in alternative investments, primarily in private equity in 2010. Because of stronger growth potentials, the further diversification opportunities in the emerging markets and the frontier markets are being carefully reviewed. The utilization of ETFs is effective in quick and low-cost implementation of the tactical asset allocation. The newly established trade execution team (currently under recruitment), supported by the technological infrastructure improvements, will be helpful in achieving best execution and lower transaction costs. RiskMetrics also has been implemented, and the portfolio risks are monitored in a comprehensive and systematic manner. Despite the choppy and trendless markets that the Fund may be facing during this phase of the global economic recovery, with the support of the additional staff and investment tools added during the biennium, the Investment Management Division will be in a position to safeguard the Fund and could build a stronger foundation for future years to come.

69. The General Assembly may wish to take note of this report and the related report on emerging market investments as reflected in the annex to the present report.

Annex

Emerging markets: an overview of the last decade

1. The United Nations Joint Staff Pension Fund investments in emerging markets have increased substantially over the last decade. Total assets under management in emerging markets increased from $265 million at the end of 2000 to $4,150 million in 2012, representing 9 per cent approximately of the total Fund.

2. The presence in emerging markets is mainly realized through listed equities. The equity portion amounts to $3,750 million, 96.4 per cent invested internally, the rest has been invested through external funds in frontier markets. The Fund is also gradually increasing its exposure to other instruments by investing $375 million to private equity, approximately $110 million to real estate, and $71 million to fixed income.

3. Over the years, the Investment Management Division has built a dedicated investment team and has developed a disciplined process for identifying and investing in stocks across emerging markets.

4. Emerging markets are increasing in sophistication and depth and are becoming a major investment destination for institutional investors. Most financial institutions are devoting substantial human and technological resources to this asset class.

5. The Investment Management Division believes that in the coming years, the opportunity to generate enhanced performance from understanding country, sector and company fundamentals within individual emerging economies will become much greater.

Current portfolio and diversification

6. The portfolio is invested directly and indirectly in more than 40 countries, including 10 African countries. If we refer to the Morgan Stanley Capital International (MSCI) Index, 21 countries are defined as emerging markets and 26 countries as frontier markets. The latter represent less than 4 per cent of the total in terms of market capitalization.

7. Large markets such as Brazil, Mexico, China, India, South Africa and the Russian Federation have offered differentiated and multiple investment opportunities, and still attract the bulk of foreign portfolio equity investment, but there is increasing interest in other regions for reasons of diversification.

8. The emerging countries have large untapped domestic markets and a rapidly growing middle class. This underexploited internal demand is likely to be the main economic growth driver going forward. Increases in infrastructure spending are critical for the emerging economies as their populations continue to expand and urbanize.

Performance and risk

9. Emerging markets are a high-risk, high-return investment environment. Over the past 10 years, most of them outperformed the MSCI World Index, even if they corrected due to the global economic crisis.

10. The portfolio has been built to perform in normal economic conditions, but in the last five years (see appendix), the world has had to face the worst financial crisis in decades. Over that period, the portfolio has been performing slightly below its benchmark but in line with its peers in the industry, and within a reasonable level of risk.

11. The Fund seeks to invest in solid companies with quality and sustainable growth and hold them for the long term, resulting in low turnover. Good management is often key to surviving temporary geopolitical or economic instability.

12. The liquidity issue has become a major challenge for the Fund. Given the rapid rise of the assets, an increasing part of the index has been difficult to invest in. It also has been identified that some of the constraints imposed by the Fund guidelines, such as the non-tobacco policy, taxation (despite the Convention on the Privileges and Immunities of the United Nations) and subcustody issues, had a negative impact on overall performance.

Strategy

13. Emerging countries have been the major drivers and beneficiaries of the economic prosperity of the past decade. It is expected that they will continue to experience faster economic growth for some years to come. Most regions generally benefited from political stability, institutional reforms and improved governance.

14. Emerging markets have corrected, as the prolonged turmoil in the developed market has impacted some of their fundamental growth drivers, including global trade, foreign direct investment and commodity and energy prices. The market correction reflects not only global fears, but also downgrades for 2012 earnings estimates.

15. However, emerging market governing bodies are well positioned to provide fiscal and monetary stimulus to keep economies growing, while for 2013 and onwards secular drivers remain in place, such as rising consumer spending power. Emerging countries have small fiscal deficits, good current account dynamics, strong reserve balances and favourable demographics.

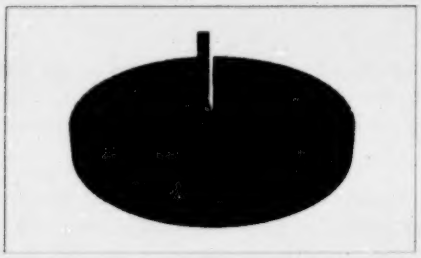
16. In terms of valuations, emerging market equities today trade at a 25 per cent discount price earnings ratio to their long-term averages, and at a significant discount to developed markets. Profitability and dividend yields are near historic highs.

17. In the coming decade, emerging countries proportion, in terms of gross domestic product (GDP), will represent close to 50 per cent of the global economy. Still the MSCI Emerging Markets Index, which includes only the investable portion of emerging markets, represents around 13.5 per cent of the MSCI World Index. Emerging markets are expected to grow to a size of 40 to 45 per cent of the global stock market's market capitalization by 2030.

18. The United Nations Joint Staff Pension Fund should increase judiciously its exposure to global emerging markets, seeking superior returns without undue risk for the Fund. The eventual goal would be to achieve 20 per cent weight of total equity of the Fund portfolio within the next five years.

Appendix

2000: 1.1 per cent of the Fund



2012: 9.1 per cent of the Fund

(As at 30 June 2012)	*Asset under management (billion)*	*Size of team*	*5-year performance*	*Tracking error*	*Number of stocks*
UNJSPF — EM	3.8	5	-0.3	2.5	144
Lazard EM Fund	15.2	58	2.1	10.0	87
Aberdeen Global EM Fund	13.0	33	2.3	9.1	71
Ashmore EMM BGA FUND	4.3	33	-2.1	3.6	108
JPMorgan EM — Institutional	2.3	30	1.5	8.7	65
Franklin Templeton EM Institutional	1.1	50	-1.1	8.3	65

Source: Bloomberg PORT, United Nations Joint Staff Pension Fund, Ashmore.

Risk/return statistics and characteristics: 5 years ending 30 June 2012

	Portfolio	*Index*		*Portfolio*	*Index*
Return	-0.3	0.21	PER	11.8	11.3
Excess return	-0.51		PCF	6.5	7.3
Tracking error	2.52		EPS growth 5Y	16.5	14
Information ratio	-0.2		ROE	21.2	23.7

Abbreviations: EPS, earnings per share; PCF, price to cash flow ratio; PER, price earnings ratio; ROE, return on equity.

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Programme budget for the biennium 2012-2013

Human resources management

United Nations common system

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for the year 2012*

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

Summary

The present statement, submitted pursuant to rule 153 of the rules of procedure of the General Assembly, describes the administrative and financial implications arising from the decisions and recommendations of the International Civil Service Commission for the common system, in particular for the programme budget of the United Nations, commencing with that for the biennium 2012-2013. In the interest of providing comprehensive information, the statement also describes the implications for the budgets of peacekeeping operations, commencing with those for the 2012/13 peacekeeping financial period.

* An advance version of the report of the International Civil Service Commission for 2012 (A/67/30) was used in the preparation of the present statement.

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Should the General Assembly approve the recommendations of the Commission, the resource requirements arising from those recommendations under the programme budget of the United Nations for the biennium 2012-2013 will be taken into consideration in the context of the performance reports for the biennium 2012-2013. The resource requirements for peacekeeping operations for the peacekeeping financial periods 2012/13 and 2013/14 will be taken into account, partly in the context of the performance reports for the period from 1 July 2012 to 30 June 2013 and partly in the context of the proposed budgets for the financial period from 1 July 2013 to 30 June 2014.

Resource requirements for subsequent periods will be included in the proposed programme budgets and the budgets of peacekeeping operations.

In paragraph 6 of its resolution 66/235 B, the General Assembly recalled paragraphs 10, 12 and 13 of the report of the Advisory Committee on Administrative and Budgetary Questions and requested the Secretary-General to provide for consideration at the main part of its sixty-seventh session additional information and explanations requested in those paragraphs. Section V of the present statement has been provided in response to the request of the General Assembly.

Abbreviations

CEB	United Nations Chief Executives Board for Coordination
ICSC	International Civil Service Commission
MONUSCO	United Nations Organization Stabilization Mission in the Democratic Republic of the Congo
UNAMA	United Nations Assistance Mission in Afghanistan
UNAMI	United Nations Assistance Mission for Iraq
UNAMID	African Union-United Nations Hybrid Operation in Darfur
UNDOF	United Nations Disengagement Observer Force
UNIFIL	United Nations Interim Force in Lebanon
UNISFA	United Nations Interim Security Force for Abyei
UNMISS	United Nations Mission in South Sudan
UNMOGIP	United Nations Military Observer Group in India and Pakistan
UNOCI	United Nations Operation in Côte d'Ivoire
UNPOS	United Nations Political Office for Somalia
UNSCO	Office of the United Nations Special Coordinator for the Middle East Peace Process
UNSOA	United Nations Support Office for the African Union Mission in Somalia
UNSMIL	United Nations Support Mission in Libya
UNTSO	United Nations Truce Supervision Organization

I. Introduction

1. The annual report of the International Civil Service Commission for 2012 (A/67/30) contains decisions and recommendations giving rise to financial implications for the programme budget of the United Nations for the biennium 2012-2013, and for the budgets of peacekeeping operations, starting with the peacekeeping financial period 2012/13, related to the following issues:[1]

(a) Conditions of service applicable to both categories of staff: education grant;

(b) Conditions of service of the Professional and higher categories: base/floor salary scale;

(c) Conditions of service in the field: danger pay.

II. Conditions of service applicable to both categories of staff: review of the level of the education grant

2. The Commission had before it proposals by the secretariat of the United Nations Chief Executives Board for Coordination for a review of the level of the education grant on the basis of the analysis of expenditure data on 18,296 claims for the academic year 2010/11 in 15 individual country/currency areas for which the education grant was administered. The Commission was informed that the ongoing review of the methodology for determining the education grant had not been completed and, while the Commission would have preferred to review the grant level upon completion of the methodology review, in its view, it would have not been appropriate to defer the consideration of the grant level until the completion of this review, given the need to maintain the grant at adequate levels. The Commission recalled that the General Assembly, in its resolution 66/235, had reiterated its request for ICSC to bear in mind the limitations imposed by Member States on their national civil services in regulating and coordinating the conditions of service of staff of the common system. The Commission therefore considered that a conservative approach to reviewing the education grant levels was more than justified.

3. The Commission noted that, while the education grant review took into account the movement of costs and fees, the adjustment of specific grant levels had always been done in a pragmatic way. In this regard, it recalled its approach to the 2010 review, whereby in all cases, the adjustments were limited to the fee movement or to the percentage increase required to bring 95 per cent of claims

[1] Conditions of service of the General Service and other locally recruited categories: ICSC conducted a survey in Rome, with reference date of April 2012. It recommended to the executive heads of Rome-based organizations a new salary scale, as reproduced in annex X to document A/67/30. The notional savings as a result of the implementation of the recommended salary scale are estimated at approximately $7.8 million at the April 2012 United Nations rate of exchange. However, as the recommended salary scale is expected to be implemented only with respect to staff recruited on or after the date of promulgation by the Rome-based organizations, there are no immediate savings associated with the Commission's recommendations on the revised salary scale and dependency allowance, with eventual savings realized as new staff is recruited.

within the ceiling, whichever was lower. Under the present circumstances, however, the Commission believed that an even more stringent approach would be required. It was pointed out that the education grant scheme was based on the principle of shared responsibility of organizations and staff for covering education-related expenses of their children. It would thus be only fair if the staff of the common system also shared some of the burden of the increase in the cost of education.

4. The Commission decided to recommend to the General Assembly that:

(a) For Austria, Belgium, Denmark, France, Germany, Italy, the Netherlands, Spain, Switzerland, the United Kingdom of Great Britain and Northern Ireland, the United States of America and the United States dollar area outside the United States, the maximum admissible expenses and the maximum education grant be adjusted as reflected in table 1 of annex III to the report of the Commission;

(b) For Ireland, Japan and Sweden, the maximum admissible expenses and the maximum education grant remain at current levels as shown in table 1 of annex III to the report of the Commission;

(c) For Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Japan, the Netherlands, Spain, Sweden, the United Kingdom, the United States and the United States dollar area outside the United States, the normal flat rates for boarding, taken into account within the maximum admissible educational expenses, and the additional amount for reimbursement of boarding costs over and above the maximum grant payable to staff members serving at designated duty stations be revised as shown in table 2 of annex III to the report of the Commission;

(d) For Switzerland, the normal flat rate for boarding and additional flat rate for designated duty stations be maintained at the current level as shown in annex III to the report of the Commission;

(e) The special measures for China, Hungary, Indonesia and the Russian Federation, as well as for the eight specific schools in France (namely, American School of Paris, British School of Paris, International School of Paris, American University of Paris, Marymont School of Paris, European Management School of Lyon, École Active Bilingue Victor Hugo and École Active Bilingue Jeanine Manuel) be maintained;

(f) The special measures for Romania be discontinued;

(g) Special measures be introduced in Thailand and for the American Cooperative School in Tunis, and the American International School of Johannesburg, South Africa;

(h) All the above-mentioned adjustments and measures be applicable as from the school year in progress on 1 January 2013.

5. The financial implications arising from the review of the education grant levels detailed in the report of the Commission amount to $1.9 million per annum for the United Nations system organizations.

6. The financial implications of the recommendation with respect to the education grant have been estimated at $219,400 under the programme budget of the

United Nations for the biennium 2012-2013 and $438,800 under the proposed programme budget for 2014-2015.[2]

7. The financial implications of the recommendation with respect to the education grant for peacekeeping operations have been estimated at $78,800 for the financial period from 1 July 2012 to 30 June 2013 and at $157,600 for the financial period from 1 July 2013 to 30 June 2014.

III. Conditions of service of the Professional and higher categories: base/floor salary scale

8. The General Assembly, in section I.H of its resolution 44/198, introduced the concept of the base/floor salary scale for staff in the Professional and higher categories, set by reference to the corresponding net salary levels of officials in comparable positions serving in the base city of the comparator civil service (the federal civil service of the United States of America) with effect from 1 July 1990.

9. The Commission was informed that due to the comparator civil service's pay freeze in effect for 2011 and 2012, the gross levels of the General Schedule of the comparator did not change from the levels in 2010. However, slight changes in the federal and Maryland tax schedules had occurred in 2012 while the taxes for the state of Virginia and in the Federal District of Columbia remained unchanged. The changes relating to the federal taxes related to revised tax rates and personal exemptions and standard deduction amounts. The changes in the taxes for the state of Maryland related mainly to the introduction of revised tax brackets for adjusted gross income above $150,000. Therefore, despite the pay freeze, the aforementioned tax related changes resulted in an increase of 0.12 per cent, in net terms, in the reference comparator pay level, as compared with the 2011 level. In accordance with the approved procedures, an upward adjustment of 0.12 per cent in the common salary scale for staff in the Professional and higher categories is being recommended by the Commission with effect from 1 January 2013. The increase in the base/floor salary scale would be implemented by increasing base salaries by 0.12 per cent through a consolidation of the requisite number of post adjustment multiplier points into base salaries on a no-loss/no-gain basis.

10. The annual financial implications arising from such an adjustment in the base/floor salary scale for the United Nations and other participating organizations of the common system referred to in the report of the Commission amount to approximately $60 000, broken down as follows:

(a) None for duty stations with low post adjustment where net salaries would otherwise fall below the level of the new base salaries and might not be able to absorb a base salary increase;

(b) $60,000 in respect of the scale of separation payments.

[2] The estimated annual cost implications arising from these recommendations for the United Nations as a whole were estimated at $523,000 by ICSC. In calculating the amount of the implications for the programme budget, the human resources statistics of CEB as at 31 December 2011 were used. These show that, of the total of 10,158 Professional staff of the United Nations, 4,261 (41.95 per cent) are funded from the regular budget (programme budget). Accordingly, this percentage was applied to the amount of $523,000 to estimate the annual cost implications of $219,400 for the programme budget.

11. The Commission decided to recommend to the General Assembly for approval with effect from 1 January 2013 the revised base/floor salary scale for Professional and higher categories as shown in annex V to the report of the International Civil Service Commission for the year 2012, reflecting a 0.12 per cent adjustment implemented by increasing the base/floor salary scale and commensurately reducing post adjustment multiplier points with no change in net take-home pay.

12. The financial implications with respect to the adjustment to the base/floor salary scale for the programme budget of the United Nations for the biennium 2012-2013 are estimated at $7,700.[3]

13. The financial implications with respect to the adjustment to the base/floor salary scale for peacekeeping operations have been estimated at $7,200 for the financial period 1 July 2012 to 30 June 2013 and at $14,400 for the financial period from 1 July 2013 to 30 June 2014.

IV. Conditions of service in the field: danger pay — (interim measure) implementation date and possibility of delinking pay from salary scales of locally recruited staff

14. At its seventy-third session in July 2011, ICSC decided to discontinue hazard pay and introduce danger pay. The level of hazard pay granted to locally recruited staff was not static; it was adjusted automatically whenever the salary scales were adjusted, namely, following comprehensive surveys and the interim adjustments of salary scales between comprehensive surveys. Given this automaticity, which was declared undesirable by the General Assembly, the Commission agreed to consider delinking danger pay from the salary scale of locally recruited staff.

15. Pending a review and as an interim measure, the Commission had decided to establish the level of danger pay at the rate of 25 per cent of the net midpoint of the applicable local General Service salary scale, with adjustments to be made as the salary scales were revised, that is, to maintain the same amount and adjustment procedures as for the earlier hazard pay. The Commission had requested its secretariat to conduct a study of the methodology for establishing the level of danger pay for locally recruited staff.

16. Considering the higher level of danger pay ($1,600 per month) for international staff compared to that of hazard pay ($1,365 per month), the Commission considered that it was an appropriate time to consider an increase in the level of danger pay for national staff. The Commission decided to increase the level of danger pay for locally recruited staff from the current rate of 25 per cent to 30 per cent of the applicable 2012 General Service salary scales, and to subsequently delink danger pay from the applicable General Service salary scales and reviewing the then fixed rates every

[3] The year-to-date expenditure as at the end of July 2012 under the programme budget against the budget lines related to repatriation/termination indemnities amounted to $3,731,300. As repatriation/termination indemnities are paid to staff affected on the basis of their base/floor salary, a change to the base/floor salary scale would affect the expenditures incurred. Accordingly, the annual cost implications arising from this recommendation, which will be effective 1 January 2013, are estimated by annualizing the year-to-date expenditure and then multiplying the result by the proposed increase of 0.12 per cent in the base/floor salary scale to the expenditures incurred ($3,731,300÷7x12x0.12%=$7,700).

three years at the same time that the rates for international staff are reviewed. The financial impact of the Commission's decision with respect to increasing the level of danger pay for locally recruited staff from the current rate of 25 per cent to 30 per cent of the applicable General Service salary scales has been estimated by ICSC at $9.9 million per annum system-wide, assuming that the number of local staff receiving danger pay remains the same.

17. The financial implications of the recommendation with respect to increasing the level of danger pay for locally recruited staff from the current rate of 25 per cent to 30 per cent of the applicable 2012 General Service salary scales for the programme budget of the United Nations for the biennium 2012-2013 have been estimated at $2.1 million.[4]

18. The financial implications of the recommendation with respect to increasing the level of danger pay for locally recruited staff from the current rate of 25 per cent to 30 per cent of the applicable 2012 General Service salary scales for the budgets of peacekeeping operations for the period 1 July 2012 to 30 June 2013 and for the period 1 July 2013 to 30 June 2014 have been estimated at $2.3 million and $4.7 million,[5] respectively.

V. Estimated annual financial implications of the replacement of hazard pay with danger pay

19. In paragraph 6 of its resolution 66/235 B, the General Assembly recalled paragraphs 10, 12 and 13 of the report of the Advisory Committee on Administrative and Budgetary Questions[6] and requested the Secretary-General to provide, for consideration at the main part of its sixty-seventh session, additional information and explanations requested in those paragraphs. In paragraph 10 of its report, the Committee had requested the Secretary-General to provide information to the Assembly on the total expenditures for hazard pay in 2011, the estimated total

[4] The increase from 25 per cent to 30 per cent in the level of danger pay for local staff effective 1 January 2013 has been calculated as follows: the expenditure for locally recruited staff paid in April 2012 under the programme budget was $880,500. The annual estimated costs are calculated by annualizing the April 2012 expenditure ($880,500x12=$10,566,000), then proportionally increasing the annualized total from 25 per cent (current rate of danger pay allowance) to 30 per cent (new rate of danger pay allowance), which amounts to $12,679,200. Accordingly, the annual cost implications arising from this recommendation are estimated at $2,113,200 annually for the programme budget.

[5] The increase from 25 per cent to 30 per cent in the level of danger pay for local staff effective 1 January 2013 has been calculated as follows: The expenditure for locally recruited staff paid in April 2012 under the budgets of peacekeeping operations was $1,947,800. The annual estimated costs are calculated by annualizing the April 2012 expenditure ($1,947,800x12=$23,373,600, then proportionally increasing the annualized total from 25 per cent (current rate of danger pay allowance) to 30 per cent (new rate of danger pay allowance), which amounts to $28,048,320. Accordingly, the annual cost implications arising from this recommendation are estimated at $4,674,720 annually for the budgets of peacekeeping operations.

[6] A/66/7/Add.26. The information requested in paragraph 10 of the report on the estimated number of staff by category and duty station eligible for a four-week rest and recuperation cycle under the current rest and recuperation framework, and on the estimated number of staff by category and duty station eligible for a six-week rest and recuperation cycle under the current rest and recuperation frameworks was provided to the General Assembly during the second part of its resumed sixty-sixth session and is set out in annexes IV and V to the present report.

annual requirements for danger pay, the number and category of staff having received hazard pay and the total amount of hazard pay paid by duty station in March 2012, the number and category of staff having received danger pay and the total amount of danger pay paid by duty station in April 2012, the estimated number of staff by category and duty station eligible for a four-week rest and recuperation cycle under the current rest and recuperation frameworks and the estimated number of staff by category and duty station eligible for a six-week rest and recuperation cycle under the current rest and recuperation frameworks. In paragraphs 12 and 13 of its report, the Committee urged the Secretary-General to provide a full explanation to the Assembly on the underlying causes for divergence between the anticipated and actual number of danger pay duty stations as well as information on the application of the aforementioned criteria approved in resolution 66/235, emphasizing the need for accurate and reliable data to support informed decision-making on proposals and the implementation of measures with significant financial and administrative implications.

Total expenditures for hazard pay in 2011

20. Based on the request of the General Assembly, the Commission provided an update on the estimated annual system-wide financial implications of the replacement of hazard pay with danger pay. It stated in paragraph 197 of its report that the total expenditure related to hazard pay for 2011 reported by the organizations that responded was $111,295,523, while noting that hazard pay locations were reviewed every three months and hence the number of eligible locations changed during the year. As regards the United Nations, expenditure in respect of hazard pay during 2011 amounted to $82,844,100, which is equivalent to average monthly expenditures during 2011 of $6,903,700.

Hazard pay allowances (expenditures, number and category of staff) for March 2012 and danger pay allowances (expenditures, number and categories of staff) for April 2012

21. As was the practice for hazard pay, the locations eligible for danger pay are reviewed every three months. It should be noted that locations in 12 countries were eligible for danger pay when it became effective 1 April 2012, which is less than the 18 countries with locations that were previously eligible for hazard pay. This is illustrated in annex I, which sets out the duty stations eligible for hazard pay as of 31 March 2012, as well as the duty stations eligible for danger pay for the three-month period from 1 April to 30 June 2012 and the three-month period from 1 July to 30 September 2012.

22. The relative impact of the introduction of danger pay in April 2012, as compared to the preceding hazard pay allowance in March 2012, is shown in table 1 below.

Table 1
Comparison of hazard pay allowances for March 2012 and danger pay allowances for April 2012
(Thousands of United States dollars)

	Hazard pay (March 2012)	*Danger pay (April 2012)*	*Difference*	*Percentage*
Number of international staff	2 775	2 356	419	15.1
Number of national staff	7 676	6 808	868	11.3
Total staff	**10 451**	**9 164**	**1 287**	**12.3**
Amount paid to international staff	2 756.8	2 804.0	(47.2)	(1.7)
Amount paid to national staff	2 631.3	2 828.3	(197.0)	(7.5)
Total paid to staff	**5 388.1**	**5 632.3**	**(244.2)**	**(4.5)**

23. As noted above, the number of countries with locations eligible for danger pay decreased from 18 to 12 and similarly the number of staff who received danger pay in April 2012 was 9,164, which is 1,287 (or 12.3 per cent) less than the number of staff who received hazard pay in March 2012 (10,451).

24. Although the total number of eligible staff members has decreased with the replacement of hazard pay with danger pay, the total amount paid for danger pay in April was $244,200, or 4.5 per cent higher than the amount paid for hazard pay in March 2012. It should be noted that danger pay is payable for time away from the duty station on rest and recuperation travel and official duty travel up to a maximum of seven consecutive calendar days, which was not the case under the hazard pay allowance.

25. It is apparent that a month-on-month comparison implies an increase in the relative cost of staff allowances. However, it should be noted, also, that the monthly expenditures in March and April 2012 were less than the average monthly expenditures for hazard pay during 2011. If the impact upon the cost of the staff allowances were calculated with reference to expenditures for 2011, the replacement of hazard pay with danger pay would imply a decrease in cost of approximately $15.3 million per annum.[7]

26. Annex II provides details regarding the locations, number and categories of staff who received hazard pay in March 2012 and the same information in respect of staff who received danger pay in April 2012, in accordance with the recommendation contained in paragraph 10 of the report of the Advisory Committee.

[7] The approximate decrease in cost of $15.3 million was calculated by annualizing the April 2012 expenditure for danger pay ($5,632,300x12=$67,587,600) and then deducting the total expenditure for hazard pay in 2011 ($67,587,600-$82,844,100=($15,256,500)).

Estimated total annual requirements for danger pay and causes for divergence between anticipated and actual danger pay duty stations

27. Information on the danger pay allowances for May, June and July 2012 has been collated and the details presented in annex III, a summary of which is provided in table 2 below.

Table 2
Comparison of monthly danger pay allowances for May, June and July 2012
(Thousands of United States dollars)

	May 2012	*June 2012*	*July 2012*	*Monthly average*
Number of field missions	11	11	12	
Number of international staff	2 559	2 633	2 310	2 501
Number of national staff	7 284	7 396	6 721	7 133
Total number of staff	**9 843**	**10 029**	**9 031**	**9 634**
Amount paid to international staff	3 391.6	3 562.7	3 186.6	3 380.3
Amount paid to national staff	3 149.7	3 152.4	2 668.4	2 990.2
Total amount paid to staff	**6 541.3**	**6 715.1**	**5 855.0**	**6 370.5**

28. It can be seen from annex I that locations in 12 countries were eligible for danger pay, and table 2 above shows that, although the number of field missions with eligible duty stations increased by only one, the number of staff, both international and national, fluctuated considerably during the three-month period with corresponding fluctuations in monthly expenditures.

29. Notwithstanding the more stringent requirements for designation as a duty station eligible for danger pay, it is apparent that the monthly requirements for danger pay are highly dependent on the size of particular duty stations in the field mission and the number of staff present. The total expenditure for the period from April to July was $24,743,700. Assuming an average monthly expenditure of $6,185,900 for the subsequent eight months, the estimated total annual requirements for danger pay amount to $74,230,900, which is $8,613,200 lower than the expenditure with respect to hazard pay during 2011.

30. The estimated annual requirements for danger pay shown above are based on limited empirical data, given the fact that danger pay has only been in effect since 1 April 2012. More importantly, perhaps, is the fact that the historical or prevailing security situations cannot necessarily be used as a proxy for future circumstances.

31. It will be recalled that, when the Commission recommended the introduction of danger pay in 2011, which was taken up for consideration by the General Assembly during its sixty-sixth session, the following three principal characteristics applied:

(a) The level of danger pay allowance would be higher than the hazard pay allowance for international staff;[8]

(b) Fewer locations would be eligible for danger pay under the stricter criteria, as compared to hazard pay;

(c) Danger pay duty stations would be authorized for a period up to three months and then eligibility would be reassessed against the same stricter eligibility criteria.

32. It should be noted that security situations are not stagnant and that it is problematic to predict the future requirement level for danger pay with certainty. In addition, the initial assumption was made that, because a fewer number of locations would be eligible, there would be a commensurate reduction in the number of staff claiming the allowance. An inspection of the various locations, field missions and duty stations designated as eligible for danger pay, as set out in annexes II and III, indicates that larger duty stations within field missions can have a significant impact on the overall monthly expenditure. The specific duty stations eligible within field missions could not have been determined with certainty until the Department of Safety and Security had been given the opportunity to conduct a thorough review of all locations in line with the applicable criteria.

VI. Conclusions and recommendations

33. **The financial implications arising from the decisions and recommendations of the International Civil Service Commission have been summarized as follows:**

(a) **Additional net requirements for the programme budget of the United Nations for the biennium 2012-2013 and the biennium 2014-2015 are estimated at $2,340,300 and $4,680,600, respectively, as summarized in table 3 below;**

Table 3
Summary of financial implications for the programme budget and proposed programme budget of the United Nations
(United States dollars)

	Biennium 2012-2013	*Biennium 2014-2015*
Education grant	219 400	438 800
Base/floor salary scale	7 700	15 400
Danger pay rate increase for locally recruited staff	2 113 200	4 226 400
Total	**2 340 300**	**4 680 600**

[8] It should be taken into consideration that the amount of hazard pay applicable to internationally recruited staff was $1,365, and the current amount of danger pay is $1,600. With regard to locally recruited staff, danger pay allowance is currently calculated at the rate of 25 per cent of the applicable 2012 General Service salary scale. Effective 1 January 2013, the rate of danger pay allowance for national staff will increase from 25 per cent to 30 per cent of the applicable 2012 General Service salary scales.

(b) Additional net requirements for the budgets of peacekeeping operations for the financial periods 2012/13 and 2013/14, of $2,423,400 and $4,846,700, respectively (see table 4 below).

Table 4
Summary of financial implications for the budgets of peacekeeping operations
(United States dollars)

	1 July 2012-30 June 2013	*1 July 2013-30 June 2014*
Education grant	78 800	157 600
Base/floor salary scale	7 200	14 400
Danger pay rate increase for locally recruited staff	2 337 400	4 674 700
Total	**2 423 400**	**4 846 700**

34. **Should the General Assembly approve the recommendations of the Commission:**

(a) Requirements for the biennium 2012-2013 for the United Nations will be addressed in the context of the performance report for the biennium 2012-2013 and requirements for the biennium 2014-2015 will be considered in the context of the proposed programme budget for the biennium 2014-2015;

(b) Requirements for the budgets for peacekeeping operations will be reported in the related performance reports for the financial period from 1 July 2012 to 30 June 2013, and will be taken into account in the context of the proposed budgets for the financial period from 1 July 2013 to 30 June 2014.

Annex I

Hazard and danger pay locations

Hazard pay	*Danger pay*	*Danger pay*
1 January to 31 March 2012	*1 April to 30 June 2012*	*1 July to 30 September 2012*
Afghanistan — entire country and extended hazard pay	**Afghanistan**	**Afghanistan**
Democratic Republic of the Congo (Bas Congo, Equateur Province, North Katanga District, North Kivu Province, South Kivu Province, Province Orientale (Districts of Ituri, Haut Uele and Bas Uele only), and Maniema Province	**Democratic Republic of the Congo** — North Kivu Province, South Kivu Province, Orientale Province — (only Bas Uele, Haut Uele and Ituri Districts), Maniema Province	**Democratic Republic of the Congo** — North Kivu Province (Beni-Butembo-Lubero-Goma), South Kivu Province (Bukavu-Goma), Orientale Province — (Bas Uele, Haut Uele and Ituri Districts), and North Katanga (Tanganyka district)
Côte d'Ivoire — (Guiglo only)	–	**Côte d'Ivoire** — (Guiglo Security Area: Duekoue, Guiglo, Tai, Toulepleu and Blolequin)
Ethiopia (in Afar, east of the Dese-Mekela Road and north of the Kombolcha-Djibouti Road and Asseita; in the Somali Region the border area with Kenya, including Moyale and Tigray, north of Adrigat, Axum and Inda Selassie towns and Gambela region)	**Ethiopia** — Somali Region	**Ethiopia** — Somali Region
Gaza	–	–
India (Indian administered side of the Line of Control in Jammu and Kashmir less Ladakh)	–	–
Iraq (entire country and extended hazard pay)	**Iraq**, with the exception of Erbil	**Iraq**, with the exception of the Kurdish Regional Government (Erbil, Sulaymaniah and Dohuk Districts)

Hazard pay	*Danger pay*	*Danger pay*
1 January to 31 March 2012	*1 April to 30 June 2012*	*1 July to 30 September 2012*
Kenya — (North-eastern Province, including Dadaab, Garissa, Wajir, Mandera and Ijara; Eastern province districts of Moyale and Marsabit; Rift Valley province districts of Turkana District, including Lokichoggio, Lodwar and Kakuma)	**Kenya** — North-eastern Province (Garissa, Dadaab, Mandera, Wajir, Ijara)	**Kenya** — North-eastern Province (Garissa, Dadaab, Mandera, Wajir, Ijara, Fafi, including Alinjugur)
Lebanon (south of the Litani River except for the Tyre Pocket)	**Lebanon** — South Lebanon (UNIFIL area of operations, except the Tyre pocket)	–
Libya (entire country and extended hazard pay)	–	–
Pakistan (entire country and extended hazard pay)	**Pakistan** — Balochistan Province, Khyber Pakhtunkhawa Province (formerly, North-West Frontier Province) and Federally Administrated Tribal Areas	**Pakistan** — Balochistan Province, Khyber Pakhtunkhawa Province (formerly, North-West Frontier Province) and Federally Administrated Tribal Areas
Philippines — Southern Philippines to cover some areas of Mindanao: Sultan Kudarat, Maguindanao, Cotabato City, Lahad Del Sur, Lanao del Norte, Zamboanga City, Basilan, Tawi Tawi, and the Sulu Archipelago	–	–
Russian Federation — Kabardino Balkaria and Caucasus region: Republics of Ingushetia, Chechnya and Dagestan	–	–
Somalia (entire country and extended hazard pay)	**Somalia**	**Somalia**

Hazard pay	*Danger pay*	*Danger pay*
1 January to 31 March 2012	*1 April to 30 June 2012*	*1 July to 30 September 2012*
South Sudan (except Juba County)	**South Sudan** — Unity State, Upper Nile State, Jonglei State, Warrap State (except Tonji South county), in Lakes State (only Awerial, Yirol East, Rumbek Centre, Rumbek North and Rumbek East counties), in Northern Bar El Gazal State (only Aweil East and Aweil North counties), in Western Bar El Gazal State (all locations north of the road Kafia-Gabir-Kosho-Raja, excluding Raga town), Western Equatoria (only all locations south of the road Morobo-Yei-Maridi-Yambio-Nadi-Tambura, except Yambio town)	**South Sudan** — Unity State, Upper Nile State, Jonglei State, Warrap State (except Tonji South county), in Lakes State (only Awerial, Yirol East, Rumbek Centre, Rumbek North and Rumbek East counties), in Northern Bar El Gazal State (only Aweil East and Aweil North counties), in Western Bar El Gazal State (all locations north of the road Kafia-Gabir-Kosho-Raja, excluding Raga town), Western Equatoria (only all locations south of the road Morobo-Yei-Maridi-Yambio-Nadi-Tambura, except Yambio town)
Sudan (North Sudan Transitional Areas (including the three Protocol Areas, namely, Abyei, Southern Kordofan and the Blue Nile States) and Darfur)	**Sudan** — the Darfurs (West, South and North Darfur), Abyei Administered Area, South Kordofan State and Blue Nile State	**Sudan** — the Darfur Region, Abyei Administered Area, South Kordofan State and Blue Nile State
	Syrian Arab Republic — the entire country, except Damascus (city boundaries) and UNDOF area of operations	**Syrian Arab Republic** — the entire country, including Damascus (city boundaries) and UNDOF area of operations
Uganda (Karamoja region)	–	–
Yemen (entire country and extended hazard pay)	**Yemen**	**Yemen**
Number of countries: 18	**Number of countries: 12**	**Number of countries: 12**

Annex II

Number of staff in field missions in receipt of hazard pay (March 2012) and danger pay (April 2012)

Total number of staff in field missions in receipt of hazard pay as of 31 March 2012

	International		*National*			
Mission	*Number of international staff*	*Amount paid during April 2012[a]*	*Number of national staff*	*Amount paid during April 2012[a]*	*Total staff*	*Total amount paid[a]*
MONUSCO (Bunia, Beni, Bukavu, Butembo, Dungu, Goma, Kalemie, Kindu, Kisangani, Lubero, Uvira, Mbandaka, Matadi)	357	342.6	1 475	398.4	1 832	741.0
UNOCI (Guiglo)	1	1.4	6	2.4	7	3.8
UNAMA (entire country)	380	381.3	1 756	762.1	2 136	1 143.4
UNAMI (entire country)	310	319.1	315	140.0	625	459.1
UNAMID (Darfur region)	946	966.6	2 661	732.5	3 607	1 699.1
UNIFIL (Naquora)	354	295.9	639	324.6	993	620.5
UNISFA (Abyei, Wau, Kadugli)	24	15.3	22	6.3	46	21.6
UNMISS (entire country except Juba)	268	265.1	677	197.2	945	462.3
UNMOGIP (Islamabad)	27	25.8	47	12.5	74	38.3
UNPOS/UNSOA (Mogadishu, Garowe, Hargeisa)	23	31.4	21	4.6	44	36.0
UNSCO (Gaza)	1	1.0	14	7.1	15	8.1
UNSMIL (Tripoli, Bengazi)	78	106.5	24	32.8	102	139.3
UNTSO (Naquora)	6	4.8	19	10.8	25	15.6
Total	**2 775**	**2 756.8**	**7 676**	**2 631.3**	**10 451**	**5 388.1**

Total number of staff in field missions in receipt of danger pay as of 30 April 2012

	International		*National*			
Mission	*Number of international staff*	*Amount paid during April 2012[a]*	*Number of national staff*	*Amount paid during April 2012[a]*	*Total staff*	*Total amount paid[a]*
MONUSCO (Bukavu, Beni, Bunia, Butembo, Lubero, Goma, Kindu, Uvira)	292	339.0	1 289	494.7	1 581	833.7
UNAMA (entire country)	379	512.1	1 748	760.8	2 127	1 272.9
UNAMI (entire country, except Erbil)	273	311.5	246	104.6	519	416.1
UNAMID (Darfur region)	950	1 167.1	2 555	1 078.2	3 505	2 245.3
UNIFIL (Naquora)	305	250.7	634	303.4	939	554.1
UNISFA (Abyei, Kadugli)	22	27.6	25	7.7	47	35.3
UNMISS (Bentiu, Bor, Malakal, Melut, Rumbek, Warrab)	104	151.2	270	63.8	374	215.0
UNPOS/UNSOA (Mogadishu, Garowe, Hargeisa)	25	40.0	22	4.8	47	44.8
UNTSO (Naquora)	6	4.8	19	10.3	25	15.1
Total	**2 356**	**2 804.0**	**6 808**	**2 828.3**	**9 164**	**5 632.3**

[a] Thousands of United States dollars.

Annex III

Number of staff in field missions in receipt of danger pay, May, June and July 2012[a]

May 2012

	International		*National*			
Mission	*Number of staff*	*Amount paid*[b]	*Number of staff*	*Amount paid*[b]	*Total staff*	*Total amount paid*[b]
MONUSCO	323	355.6	1 575	478.9	1 898	834.5
UNAMA	365	485.5	1 758	764.8	2 123	1 250.3
UNAMI	275	311.4	206	106.1	481	417.5
UNAMID	1 007	1 611.2	2 686	1 167.6	3 693	2 778.8
UNIFIL	345	333.2	659	507.7	1 004	840.9
UNISFA	32	41.4	33	14.4	65	55.8
UNMISS	165	213.0	325	88.8	490	301.8
UNPOS	15	15.6	22	4.6	37	20.2
UNSMIS	18	5.5			18	5.5
UNSOA	9	12.0			9	12.0
UNTSO	5	7.2	20	16.8	25	24.0
Total	**2 559**	**3 391.6**	**7 284**	**3 149.7**	**9 843**	**6 541.3**

June 2012

	International		*National*			
Mission	*Number of staff*	*Amount paid*[b]	*Number of staff*	*Amount paid*[b]	*Total staff*	*Total amount paid*[b]
MONUSCO	323	356.8	1 575	467.9	1 898	824.7
UNAMA	355	471.6	1 736	756.9	2 091	1 228.5
UNAMI	297	349.6	263	108.9	560	458.5
UNAMID	1 000	1 600.0	2 693	1 170.6	3 693	2 770.6
UNIFIL	345	339.4	661	503.9	1 006	843.3
UNISFA	35	43.9	33	14.3	68	58.2
UNMISS	165	227.6	338	93.2	503	320.8
UNPOS	11	14.2	24	5.0	35	19.2
UNSMIS	84	134.4	45	11.8	129	146.2
UNSOA	8	10.8			8	10.8
UNTSO	10	14.4	28	19.9	38	34.3
Total	**2 633**	**3 562.7**	**7 396**	**3 152.4**	**10 029**	**6 715.1**

July 2012

Mission	International		National		Total staff	Total amount paid[a]
	Number of staff	Amount paid[a]	Number of staff	Amount paid[a]		
MONUSCO	325	336.7	1 576	521.8	1 901	858.5
UNOCI	–	–	14	5.5	14	5.5
UNAMA	353	449.1	1 635	713.1	1 988	1 162.2
UNAMI	284	320.7	252	105.6	536	426.3
UNAMID	991	1 585.6	2 702	1 174.6	3 693	2 760.2
UNDOF[c]	43	50.4	92	30.0	135	80.4
UNISFA	32	43.0	34	7.5	66	50.5
UNMISS	174	236.8	343	89.9	517	326.7
UNPOS	13	16.7	23	5.4	36	22.1
UNSMIS	81	129.6	42	11.9	123	141.5
UNSOA	10	13.1	–	–	10	13.1
UNTSO	4	4.9	8	3.1	12	8.0
Total	**310**	**3 186.6**	**6 721**	**2 668.4**	**9 031**	**5 855.0**

[a] It should be noted that the number of staff entitled to receive the allowance will change according to the prevailing security situation and that danger pay is authorized for a limited period up to three months.

[b] Thousands of United States dollars.

[c] UNDOF information is based on estimates.

Annex IV

International Staff in field mission duty stations with four-week rest and recuperation cycle[a]

Mission name	*Duty station*	*Rest and recuperation cycle*	*Number of staff*
UNAMA	Kandahar	4	12
UNAMI	Baghdad/BIAP	4	202
	Basra	4	31
	Kirkuk	4	33
UNPOS	Garoowe	4	4
	Hargeysa	4	3
	Mogadishu	4	11
UNSOA	Mogadishu	4	7
Total			**303**

[a] Based on monthly statistics of 29 February 2012.

Annex V

International staff in field mission duty stations with six-week rest and recuperation cycle[a]

Mission name	*Duty station*	*Rest and recuperation cycle*	*Number of staff*
UNAMA	Badakhshan	6	3
	Badghis	6	3
	Bamyan	6	14
	Daikundi	6	3
	Farah	6	4
	Faryab	6	2
	Gardez	6	11
	Ghor	6	4
	Herat	6	20
	Islamabad	6	2
	Jalalabad	6	16
	Kabul	6	244
	Khost	6	2
	Kunar	6	2
	Kunduz	6	11
	Mazar-e-Sharif	6	14
	Nimroz	6	1
	Pul-i-Khumri	6	3
	Sari Pul	6	2
	Sheberghan	6	3
	Taloqan	6	3
	Zabul	6	1
UNAMI	Erbil	6	30
UNAMID	Al Daein	6	2
	El Fasher	6	682
	El Geneina	6	99
	Forobaranga	6	1
	Garzilla	6	1
	Graida	6	2
	Kabkabiya	6	3
	Kas	6	1
	Khor Abeche	6	1
	Kutum	6	4
	Nyala	6	132
	Shangil Tobya	6	1
	Sheiria	6	1

Mission name	*Duty station*	*Rest and recuperation cycle*	*Number of staff*
	Umkadada	6	2
	Zalingei	6	73
	Zam Zam	6	1
UNDOF	Camp Faouar	6	39
	Damascus	6	2
UNISFA	Abyei	6	29
UNMISS	Aweil	6	16
	Bentiu	6	25
	Bor	6	41
	Juba	6	452
	Kuajock	6	16
	Malakal	6	55
	Rumbek	6	19
	Torit	6	17
	Wau	6	52
	Yambio	6	19
UNMOGIP	Islamabad	6	24
UNSCO	Ramallah	8	2
UNSMIL	Benghazi	6	4
	Tripoli	6	51
UNTSO	Damascus	6	6
Total			**2 273**

[a] Based on monthly statistics of 29 February 2012.

United Nations A/C.5/67/4

General Assembly

Distr.: General
15 October 2012

Original: English

Sixty-seventh session
Fifth Committee
Agenda item 111 (a)
Appointments to fill vacancies in subsidiary organs and other appointments

Appointment of members of the Advisory Committee on Administrative and Budgetary Questions

Note by the Secretary-General

1. As indicated in document A/67/101 of 20 March 2012, the General Assembly will be required to appoint, at its current session, five persons to fill the vacancies that will occur in the membership of the Advisory Committee on Administrative and Budgetary Questions for a three-year term of office beginning on 1 January 2013.

2. The following persons have been nominated by their respective Governments for appointment or reappointment:

Joseph Acakpo-Satchivi (Benin)

Jasminka Dinić (Croatia)

Conrod Hunte (Antigua and Barbuda)

Collen Vixen Kelapile (Botswana)

Mohanad Ali Omran (Iraq)

George Morara Orina (Kenya)

Babou Sene (Senegal)

Tesfa Alem Seyoum (Eritrea)

3. The candidates' curricula vitae follow (see annex).

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Annex

Curricula vitae*

Joseph V. Acakpo-Satchivi (Benin)

[Original: French]

Supported by the African Union

A rich experience in the service of the United Nations

Since January 2008: Member of the United Nations Committee on Contributions

August 2004-September 2006: Chief of Staff of the Office of the Special Representative of the Secretary-General for United Nations Operation in Côte d'Ivoire

July 1992-February 2003: Secretary of the Fifth Committee of the General Assembly and the Committee for Programme and Coordination

June 1987-July 1992: Secretary of the Committee for Programme and Coordination of the Economic and Social Council

October 1980-July 1992: Secretary of intergovernmental and expert bodies dealing with social and economic affairs and of various conferences and summits, for example the United Nations Congress on the Prevention of Crime and the Treatment of Offenders (Milan, 1985, and Havana, 1990), the Ministerial Meeting on the creation of an Effective United Nations Crime Prevention and Criminal Justice Programme (Versailles, France, 1991), the United Nations Conference on Environment and Development (Rio de Janeiro, Brazil, 1992), the Second and Third Committees of the General Assembly and the Economic and Social Council

Higher education

Bachelor's degree in law and political science, Faculty of Law and Political Science, Université d'Orléans, France (October 1969)

Diploma, International Institute of Public Administration, Diplomacy Section, Paris (December 1970)

Practical diplomatic training

Practical diplomatic training acquired at the Ministry of Foreign Affairs, Paris (France), the United Nations Office at Geneva and the French Embassy in Austria (1970)

United Nations People Management Training Programme, undertaken in July 1996 in Glen Cove, New York, and in June 2005 in Nicosia, Cyprus

* Curricula vitae are issued without formal editing.

Diplomatic experience

Since September 2007: Adviser of the delegation of Benin to the Fifth Committee (Administrative and Budgetary Questions) of the General Assembly

March-September 2004: Special Adviser of the delegation of Benin to the Security Council

November 1980: Member of the delegation responsible for mediation activities during the Iran-Iraq conflict

January-December 1976: Plenipotentiary representative of Benin to the Security Council

September 1973-December 1976: Participated in meetings of the United Nations General Assembly, the Executive Board of the United Nations Development Programme and the Third United Nations Conference on the Law of the Sea (December 1973)

February 1974-August 1976: Head of administrative and financial services, Permanent Mission of Benin to the United Nations, New York

February-August 1973: Deputy Director of the Department for International Organizations and Technical Assistance, Ministry of Foreign Affairs, Cotonou

June 1972-February 1973: Special Assistant to the Secretary-General for Foreign Affairs, Ministry of Foreign Affairs, Cotonou

January 1971: Secretary for Foreign Affairs, Ministry of Foreign Affairs, Cotonou

Other activities

Expert adviser to the Asia Crime Prevention Foundation and representative of the United Nations at the Foundation's various conferences in Tokyo (1992), Kuala Lumpur (1993), Manila (1994), Bangkok (1995), Seoul (1996), Tokyo (1997), New Delhi (1998), Beijing (2000) and Guangzhou, China (2001)

Jasminka Dinić (Croatia)

- Born in Rab, Croatia

Work experience

2010-Present: Member of the Advisory Committee on Administrative and Budgetary Questions

2006-2009: Permanent Mission of Croatia to the United Nations-New York

Minister Counsellor

- Fifth Committee, General Assembly Plenary, United Nations reform, Executive Board of the United Nations Children's Fund (UNICEF), Economic and Social Council Commissions

2003-2006: Embassy of the Republic of Croatia to the United Kingdom-London

Minister Counsellor

- Bilateral issues, economic affairs

2001-2003: Ministry of Foreign Affairs Zagreb, Croatia

Counsellor — Minister Counsellor

- Bilateral affairs at the Department for neighbouring countries

1997-2001: Permanent Mission of Croatia to the United Nations-New York

Counsellor

- Fifth and Second Committee, Economic and Social Council (New York, 1998, 2000), Economic and Social Council Commissions, General Assembly Special Sessions (nineteenth-twenty-fourth)
- Observer to the meetings of the Executive Boards of the United Nations Development Programme/United Nations Population Fund and UNICEF
- Vice-Chair of the Commission for Social Development in 2000
- Vice-Chair of the Fifth Committee for the fifty-fifth session of the General Assembly
- Participating in negotiations and drafting of United Nations resolutions related to financing, social development, science and technology, humanitarian issues, United Nations operational activities for development

1995-1997: Ministry of Foreign Affairs Zagreb, Croatia

Head of United Nations development issues and International Organization Department

- Coordination, organization and supervision of operational activities, preparing various memoranda and analysis for Minister and Cabinet
- Member of Croatian delegation at the fiftieth and fifty-first sessions of the General Assembly, the World Summit for Social Development (Copenhagen, 1995), Commission on Crime Prevention and Criminal Justice (Vienna, 1996), the General Conference of the International Atomic Energy Agency (Vienna,

1996), the United Nations Conference on Human Settlements (Istanbul, 1996) and Economic and Social Council sessions (New York, 1996, Geneva, 1997)

1992-1995: Ministry of Foreign Affairs — Zagreb, Croatia

Adviser to the United Nations development issues and International Organizations Department

- Preparing papers and various correspondence related to United Nations peacekeeping operations in Croatia; contacts with international organizations, funds and programmes
- Member of the Croatian delegation at the forty-eighth and forty-ninth sessions of the General Assembly

1980-1992: Autocentar-Merkur — Zagreb, Croatia

Adviser — economist

- Developing market, market research, export-import, trade negotiation

Education

1974-1979	Faculty of International Trade, University of Zagreb Diploma in Economics
1993	Summer course at the Diplomatic Academy, Vienna
1994	32nd Geneva Summer Graduate Study Programme, United Nations Office at Geneva
1995	Diplomatic Academy of the Ministry of Foreign Affairs in Zagreb

Languages

- Croatian (mother tongue), fluent in English and Italian
- Working knowledge of Spanish, German and French

Conrod C. Hunte (Antigua and Barbuda)

Ambassador

Deputy Permanent Representative of Antigua and Barbuda to the United Nations

Conrod Hunte took up the post of Deputy Permanent Representative in August 2006 after a three-year leave from his Government. Mr. Hunte currently serves as the principal officer for the Fifth Committee.

Profile

Twenty-six years of professional experience in the Government Civil Service of Antigua and Barbuda, including 19 years in the Ministry of Foreign Affairs.

Career highlights

Vice-Chair of the First Assembly of the International Renewable Energy Agency (IRENA), 2011

Chair of the Finance Committee of the Council of IRENA (2011-2012)

Chair of the Budget Committee for the Tenth Conference of the Parties to the Convention on Biological Diversity 2010, Nagoya, Japan

Coordinator of the Chair of the Group of 77 and China in 2008, New York

Convention on Biological Diversity liaison officer — Convention on Biological Diversity/United Nations Convention to Combat Desertification (July 2003-July 2006)

Liaison officer for the Conventions in New York, responsible for maintaining closer linkage with delegations and organizations at United Nations Headquarters on matters related to the Convention on Biological Diversity. Assisted with the promotion of the common objectives of the secretariats of both Conventions on such relevant issues as dryland, subhumid, agriculture biological diversity and forest biodiversity. Developed and followed up on biodiversity-related aspects of the work of the Joint Liaison Group of the Rio Conventions in order to facilitate cooperation among the secretariats of the three Conventions both at the national and international levels. Also responsible for strengthening cooperation with other bodies at the United Nations, such as the Commission on Sustainable Development and the United Nations Forum on Forests and their secretariats, to facilitate the implementation of the joint programme of work between the Convention on Biological Diversity and the United Nations Convention to Combat Desertification.

Prior to serving as liaison officer, Mr. Hunte served as Minister Counsellor of Antigua and Barbuda to the United Nations, Head of Chancellery and sustainable development officer in the Permanent Mission of Antigua and Barbuda in New York.

Mr. Hunte is a member of the National Coordinating Mechanism of Antigua and Barbuda, which is the national forum for the coordinated follow-up to all environmental conventions ratified by Antigua and Barbuda. The Mechanism is responsible for strengthening communication links between the relevant ministries and departments that are directly involved with the implementation of the Conventions and consists of a network of Government agencies/divisions, national focal points, competent authorities, and non-governmental organizations working

together to facilitate a coordinated and timely response to the various treaty obligations. Specific responsibilities include developing national positions for and participating in negotiations at the international level on matters related to biodiversity and biosafety, drought and desertification and other aspects of sustainable development.

Duties:

- Representative of the Fifth Committee
- Coordination of staff in the various United Nations committees
- Digital information management specialist: oversee the development of site-specific content and provide technical oversight for the websites of the Ministry of Foreign Affairs, the Permanent Mission to the United Nations and the National Coordinating Mechanism
- Compilation and planning of the yearly budget of the Permanent Mission to the United Nations
- Budget administration and programme planning
- Planning and administration of the computer systems infrastructure of the Permanent Mission to the United Nations

Education

Graduate of City University of New York — Management and Administration

Mr. Hunte holds several certificates in diplomacy:

Certificate: from the Academia Diplomática de Chile: Latin American and the Caribbean in the International System

Certificate from UNITAR — Negotiation of International Instruments

Certificate in Diplomacy and Informatics

Certificate in Disarmament and Peacekeeping

Certificate in International Development Issues from the Economic Development Institute

Collen Vixen Kelapile (Botswana)

Place and date of birth: 10 July 1968, Maitengwe, Botswana

Languages spoken: English, Setswana and Ikalanga (mother tongue)

Relevant work experience

2011-present	Chair, Advisory Committee on Administrative and Budgetary Questions
2008-2010	Vice-Chair, Advisory Committee on Administrative and Budgetary Questions
2004-present	Member, Advisory Committee on Administrative and Budgetary Questions
1998-2003	Progressively served as Third, Second, First Secretary and Counsellor (responsible for administrative and budgetary issues): Permanent Mission of Botswana to the United Nations
1998-2003	Representative of Botswana to the Fifth (Administrative and Budgetary) Committee during the fifty-third to fifty-eighth sessions of the General Assembly
September 2000-September 2001	Vice-Chair of the Fifth (Administrative and Budgetary) Committee during the fifty-fifth session of the General Assembly
2001-2003	Representative of Botswana to the forty-first to forty-third sessions of the Committee for Programme and Coordination
2002	Vice-Chair for the forty-second session of the Committee for Programme and Coordination
1999 and 2000	Observer for Botswana to the thirty-ninth and fortieth sessions of the Committee for Programme and Coordination
2001-2003	Observer for Botswana to sessions of the Committee on Conferences
2001-2003	Coordinator of the African Group of Experts of the Fifth (Administrative and Budgetary) Committee of the General Assembly
1999-2000	Assistant Coordinator of the African Group of Experts of the Fifth (Administrative and Budgetary) Committee of the General Assembly
1995-1998	Foreign Affairs Officer III and Desk Officer-in-Charge for the United Nations system organizations, the Movement of Non-Aligned Countries and the Global Coalition for Africa: International Relations Division, Ministry of Foreign Affairs of Botswana
1997	Representative of Botswana (Adviser) to the Fifth (Administrative and Budgetary) Committee during the fifty-second session of the General Assembly

International meetings and conferences

2003 Member of the delegation of Botswana to the thirteenth summit of the Movement of Non-Aligned Countries, Kuala Lumpur

2002 Member of the delegation of Botswana to the twelfth Ministerial Meeting of the Movement of Non-Aligned Countries, Durban, South Africa

1997 Member of the delegation of Botswana to the fifty-second session of the General Assembly

1997 Member of the delegation of Botswana to the twelfth Ministerial Conference of the Movement of Non-Aligned Countries, New Delhi

1997 Member of the delegation of Botswana to the sixteenth session of the United Nations Commission on Human Settlements, Nairobi

1996 Member of the delegation of Botswana to the United Nations Conference on Human Settlements (Habitat II), Istanbul, Turkey

Other training, workshops and seminars attended

2000 Participated in a workshop on the United Nations budgetary process, organized by the United Nations Institute for Training and Research (UNITAR), New York

1999 Participated in a workshop on the structure, drafting and adoption of United Nations resolutions, organized by UNITAR, New York

1997 Represented the Ministry of Foreign Affairs of Botswana at a training seminar on the conduct of United Nations peacekeeping operations, organized by the African Centre for the Constructive Resolution of Disputes, Gaborone

1996 Represented the Ministry of Foreign Affairs of Botswana at a record retention and disposal workshop for action officers, Gaborone

1996 Represented the Ministry of Foreign Affairs of Botswana at a productivity seminar, Botswana National Productivity Centre, Gaborone

1996 Attended a computer training course, Institute for Development Management, Gaborone

1996 Attended the tenth professional course for foreign diplomats, Foreign Service Institute, Ministry of External Affairs, New Delhi

Education

Master of Diplomacy and International Affairs, Euclid University, in progress

BA degree in Public Administration and Political Science, University of Botswana, 1995

Mohanad Ali Omran (Iraq)

Personal information

Date of birth: 7 July 1979

Place of birth: Baghdad

Education

2004-2007	PhD degree in Political Science at Al-Nahrian University
2001-2003	MA degree in Political Science at Al-Nahrian University
1997-2000	BA degree in Political Science at Al-Nahrian University

Work experience

2008-present	First Secretary, member of the Iraqi permanent delegation in New York
2005-2008	Second Secretary in the Policy Planning Department, Head of the Political Affairs Section at the Iraqi Ministry of Foreign Affairs
2004-2005	Third Secretary in the Europe Department, Head of South Europe Section at the Iraqi Ministry of Foreign Affairs

Languages

English

Arabic (mother tongue)

Courses taken

- Certificate in International Security from the Geneva Centre for Security Policy, March 2007
- Certificate in International Relations from Clingendael (Netherlands Institute of International Relations) in The Hague, March 2006
- Certificate in Diplomacy from the Institution of Security and Diplomacy Studies in Birmingham University, United Kingdom, March 2005
- Certificate in Diplomatic Concepts from the Institute of Foreign Affairs and National Security in Seoul, November 2004

George Morara Orina (Kenya)

Second Counsellor
Kenya Mission to the United Nations, New York

Date of birth: 15 January 1972, Nyamira, Kenya

Languages: English, Kiswahili and Ekegusil (mother tongue)

Work experience

October 2008-present	Second Counsellor, Kenya Mission to the United Nations, New York. In charge of Administrative and Budgetary Committee issues
April 2007-September 2008	Second Counsellor, Africa and African Union Directorate, in charge of Horn of Africa Countries — bilateral relations
January 2006-March 2007	Assistant Secretary II and I, Cabinet Office, Office of the President
July 2000-January 2006	Assistant Secretary III and II, Directorate of Personnel Management, Office of the President
July 1997-July 2000	Assistant Secretary III, Ministry of Tourism and Wildlife, later the Ministry of Tourism, Trade and Industry

Major assignments

2008-present	Fifth Committee Expert and lead negotiator on all agenda items before the Committee
2008-2010	Delegate to the Committee on Conferences and Vice-Chair for 2010 session
July 2010	Coordinator, Fifth Committee field trip to the United Nations Logistics Base, the United Nations Mission in the Sudan, the African Union-United Nations Hybrid Operation in Darfur, the Economic Commission for Africa, United Nations entities in Addis Ababa, the United Nations Office at Nairobi, the United Nations Political Office for Somalia (UNPOS) and the United Nations Support Office for the African Union Mission in Somalia (UNSOA)
June 2010	Leader, Kenya delegation to the Global Conference on Cluster Munitions in Santiago
July 2009	Member, Fifth Committee field trip to the MONUC, Entebbe Logistics Base, the United Nations Office at Nairobi, UNSOA, UNPOS and the Office of the Special Representative of the Secretary-General for the Great Lakes Region
2008-2010	Delegate to the Committee for Programme and Coordination
June 2008	Member, Kenya delegation to the 7th Ordinary Session of the Pan-African Postal Union Plenipotentiary Conference in Cairo

October 2007	Member, Kenya delegation to the Intergovernmental Authority on Development Conflict Early Warning Mechanism in Khartoum
August 2007-May 2008	Member, Kenya delegation to the Ministerial Committee of the Countries of the Region on the Comoros (the Anjouan Crisis)
February 2008-May 2008	Member, Expert Team Monitoring the implementation of African Union decisions to resolve the crisis in the Comoros (Anjouan)
October 2000	Member, Kenya delegation to the Commonwealth Association of Public Administration and Management "Globalization, Governance and Public Service" biennial Conference, Cape Town, South Africa

Education

September 2004-September 2005	London Metropolitan University — London Masters of Arts, International Public Administration (2005)
November 1990-May 1995	University of Nairobi — Nairobi Bachelor of Arts (Honours) Degree — Majoring in Sociology and Literature (1995)

Other training, workshops and seminars

2008	China Foreign Affairs University — Beijing Diploma — Professional Programme for Mid-Career Diplomats
2003	Kenya Institute of Administration — Nairobi Advanced Public Administration
2002	University of Connecticut, Institute of Public Service International, Hartford, Connecticut
	Certificate of Professional Development — General Management, and Seminar on Quality Management
2001	Royal Institute of Public Administration (RIPA International) — London
	International Programme on Techniques for Responsive Government, and International Programme on e-Administration

Babou Sene (Senegal)

Second Counsellor at the Permanent Mission of Senegal to the United Nations

Languages

French: official language

English: read, written and spoken fluently

Spanish: good understanding

Professional experience

Since September 2010: Second Counsellor at the Permanent Mission of Senegal to the United Nations

- In charge of the Administrative and Budgetary Committee (Fifth Committee) of the General Assembly of the United Nations
- Manages the financial and administrative matters and protocol of the Mission
- Facilitated the Fifth Committee negotiations on the pattern of conferences during the sixty-fourth and sixty-fifth ordinary sessions of the General Assembly
- Facilitated the Fifth Committee negotiations on the closed peacekeeping operations during the sixty-fourth session of the General Assembly
- Vice-coordinator of the Group of African Experts in the Fifth Committee
- Member of the lead negotiators for the Group of 77 and China for the following agenda items: United Nations budget for the biennium 2010-2011, human resources management, United Nations common system, programme planning, United Nations and peacekeeping operations, International Tribunal for the Former Yugoslavia and International Criminal Tribunal for Rwanda

June 2009: Elected Vice-Chair of the Administrative and Budgetary Committee (Fifth Committee) of the General Assembly during its sixty-fourth ordinary session

April 2009: In charge of the Administrative and Budgetary Committee of the General Assembly and the financial and Human Resources Management of the Senegal Mission

- Representative of Senegal to the United Nations Committee on Conferences in 2008 and 2009
- Representative of Senegal at the forty-eighth (member), forty-ninth (observer) and fiftieth (observer) sessions of the United Nations Committee for Programme and Coordination, held in New York in 2008, 2009 and 2010, respectively

November 2007: Posted as First Secretary at the Permanent Mission of Senegal to the United Nations in New York

- Representative of Senegal to the Administrative and Budgetary Committee (Fifth Committee) of the General Assembly

2005/2006 and 2006/2007: Adjunct Professor at the Ecole Nationale d'Administration — Cycle B/Section: Diplomatic

May 2006-November 2007: Chief of the Ceremonial Bureau in the Protocol Service of the Ministry of Foreign Affairs of Senegal

December 2005-May 2006: Office manager in the Department of Legal and Consular Affairs of the Ministry of Foreign Affairs

February 2002-October 2005: First Secretary at the Consulate General of Senegal in Bordeaux (France):

- Chargé d'affaires a.i.
- Chief of Chancery, in charge of the Administrative and Financial Management

September 1999-February 2002: Posted as First Secretary at the Consulate General of Senegal in Paris

July 2001-February 2002: Chief of the Passport and Travel Documents Bureau at the Consulate General of Senegal in Paris

September 1999-July 2001: In charge of the Human and Financial Resources Management at the Consulate General of Senegal in Paris

July 1998-September 1999: Bureau chief in the Department of International Organizations of the Ministry of Foreign Affairs

August 1992-July 1998: Chief of the Western Europe Bureau in Department of Europe — America — Oceania of the Ministry of Foreign Affairs

Academic studies

2001/2002: Law degree from Paris I University, Pantheon Sorbonne (Paris)

1997: Advanced Professional Training in Development Diplomacy at the Public Administration Promotion Centre in Berlin

- Participation in the Endangered Peace Model 1997 organized by the German Ministry of Cooperation in Berlin

1990-1992: Ecole Nationale d'Administration — Cycle B — Section: Diplomatie

Training and seminars

June 2009: Migration Law UNITAR — New York

May 2009: Workshop on negotiation on international conferences — UNITAR/ International Organization of la Francophonie — New York

July 2008: International Trade and the Doha Round — UNITAR — New York

May 2008: Effective public speaking and presentation skills — UNITAR

April 2008: The undertaking of treaties deposited with the Secretary-General to the United Nations and registration of treaties — UNITAR

March 2007: Refresher Courses in protocol at the Protocol Service of the Ministry of Foreign Affairs of France

Represented the Protocol Service of the Ministry of Foreign Affairs at the Steering Committees of several international conferences held in Dakar between 2006 and 2007

Prepared several notes on the cooperation between Senegal and European countries in the framework of the joint Committees

December 1996: Member of the Senegalese delegation to the 8th Session of the Ministerial Conference of the International Organization of la Francophonie, held in Marrakech (Morocco)

September 1996: Protocol Course at the Institute of Diplomatic Studies in Cairo

Tesfa Alem Seyoum (Eritrea)

Summary of qualifications

- A senior member of the Diplomatic Mission of Eritrea.
- Over 40 years of successful managerial, public and diplomatic services.
- Proven experience and knowledge of diplomatic relations.
- Consistent record of accomplishment in public and diplomatic arenas.
- Excellent knowledge and experience of the United Nations system.
- Extensive experience in high-level diplomatic, administrative and budgetary issues.
- Highly knowledgeable of operations in humanitarian and conflict situations.
- Dedicated manager with steady achievement.
- Effective team player.

Professional experience

1. Permanent Mission of Eritrea to the United Nations, New York

June 2003-present	Counsellor, Deputy Permanent Representative and Head of Chancery.
January 1997-June 2003	First Secretary, Acting Deputy Permanent Representative and Head of Chancery.
June 1993-January 1997	First Secretary.

As head of economic, finance, administrative and budgetary matters; and coordination in all of the above posts; served with great dedication as Eritrea's chief delegate to the Second and Fifth Committees of the General Assembly; Economic and Social Council; Funds and Programmes; and related bodies.

- Delegate to all the regular sessions of the General Assembly since 1993.
- Chief delegate to the Committee for Programme and Coordination (2011-2013).
- Chief delegate to the Commission on Sustainable Development (2010-2012).
- Candidate to the Advisory Committee on Administrative and Budgetary Questions at the sixty-fourth session (2009) of the General Assembly.
- Member of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (2009-2011).
- Facilitated/co-facilitated and negotiated many draft resolutions and decisions in the Second and Fifth Committees, including the landmark decision (2007/32) on the UNDP Strategic Plan 2008-2011 (DP/2007/43). Statement upon adoption in document E/2007/35, annex 2.
- Member of the Executive Board of the United Nations Development Programme (UNDP)/United Nations Population Fund (UNFPA) from 2004 to 2006.

- Vice-President in the Bureau of the Executive Board of UNDP/UNFPA in 2005.
- Led a group of Board members to Lombok, Indonesia, as part of the joint field visit of the Executive Boards of UNDP/UNFPA, the United Nations Children's Fund and the World Food Programme (WFP) (8-22 March 2006) and coauthored a draft report of the visit (E/ICEF/2006/CRP.16).
- Served as Rapporteur of the UNDP/UNFPA Executive Board field visit to Ukraine (10-16 May 2004) and authored a draft report of the visit (DP/FPA/2004/CRP.4).
- Coordinated activities of diplomats at the Permanent Mission in New York.
- Served as Chargé d'affaires a.i. for a total of 24 months (9 and 3 straight months respectively at one time) in the absence of the Permanent Representative(s).
- As Head of Chancery, managed the Mission for effective and efficient operation; supervised administrative and support staff; coordinated and compiled periodic Mission reports to the Ministry of Foreign Affairs in the capital.
- Featured in the front page of the *New York Times* on 22 October 1995 (during the "United Nations at 50 Summit") as one of the multitasking diplomats at considerable sacrifice.
- As the administrative and finance officer of the Mission from June 1993 to January 1997, handled the accounting and administrative tasks and all protocol matters.
- Having been the first diplomat appointed in New York, established the new Permanent Mission after Eritrea's membership (182nd member) to the United Nations on 28 May 1993.

2. Eritrean Relief Committee, Inc. (ERC-USA), New York City (humanitarian non-governmental organization)

November 1982-December 1992 Executive Director

As Chief Executive Officer of the organization based in New York City, carried responsibilities, under the guidance of the Board of Directors and the Executive Committee, for the overall operations of the organization to achieve its three principal objectives: publicizing the plight and humanitarian needs of the Eritrean people and of the Horn of Africa affected by war and natural disasters (drought/famine); soliciting funds (resource mobilization) in cash and in kind to meet their needs; and managing the funds that were entrusted to the corporation by the donor community. ERC was incorporated in the State of New York as a non-profit 501 (c) (3) humanitarian organization.

- Developed awareness and outreach programmes to educate the general American public, governmental/non-governmental agencies and private foundations about the humanitarian needs in Eritrea and the Horn of Africa:
    - Established or reinstated 38 branches in major cities of the United States.

- Led a *CBS Evening News* TV crew from New York to the conflict areas of Eritrea in 1985 and upon return aired the dire humanitarian need on five consecutive segments on their prime time Evening News broadcast.
- Led a group of 10 United States-based international humanitarian non-governmental organizations in 1986 on a fact-finding mission to the conflict areas of Eritrea and published a report on the humanitarian need there that the United Nations (WFP) shared.
- Facilitated a visit of the *National Geographic* magazine team to Eritrea who, upon return, wrote a detailed article in the September 1985 issue on the humanitarian situation there.
- Testified before the United States Congress — the Subcommittee on Human Rights and International Organizations and the Subcommittee on Africa — in Washington, D.C., on 16 October 1985 on human rights violations in the Horn of Africa, particularly in Ethiopia.

• Planned and implemented fundraising (resource mobilization) programmes among the American public, governmental/non-governmental agencies, the organization's branches and the Eritrean communities around the country. Raised the resources mobilization level, in cash and in kind, from an annual $316,000 in 1982 to $21 million in 1985. Travelled to the major cities extensively to organize and speak at fundraising events in the entire 10-year tenure.

• Having been responsible for the management/administration of the corporation's resources, managed staff and over 500 volunteers in the 38 branches, maintained audited (by independent/external auditors) financial reports for public consumption, as required by law, and other periodic management reports and updated the inventory of the agency's assets. The organization was recognized as one of the most efficient humanitarian agencies, with an administrative overhead of only 8 per cent.

3. United Bible Societies, Africa Regional Centre, Nairobi, Kenya (International non-governmental organization)

June 1975-July 1979 Regional Accounts and Budget Analyst for Africa

Under the Regional Management Consultant for Africa (based in Nairobi), having been promoted to the Regional Centre from the National Office in Ethiopia (Addis Ababa) where the candidate served as senior accountant and business manager for six years to be the first Accounts and Budget Analyst for Africa, undertook the responsibility of producing a running analysis of budgets and financial reports from 24 national offices within the Africa region and was responsible for the general running of the Africa Regional Centre's office in Nairobi.

• Conducted thorough examinations of annual budgets submitted by the 24 national offices in the Africa region in preparation for their consideration by the Regional Centre's senior staff and presentation to the Africa Region's Executive Committee.

• Examined and analysed quarterly and annual financial reports from the national offices in the region and compared them with current approved budgets.

- Visited several national offices in the region to assist them in establishing proper accounting systems and internal management controls.
- Re-established the national office in Luanda in January 1977, after the civil war which had shuttered the country.
- Delivered 11 lectures on accounting principles and internal control at a seminar organized by the United Bible Societies Africa Regional Centre in March/April 1977 at the Limuru Conference Centre, in Kenya, for representatives from 19 English-speaking national offices.
- Having been responsible for the running of the Regional Centre, verified and paid all due bills; dealt with host country (Kenya) requirements; supervised local staff; and kept proper inventory and records of the Regional Centre's properties (both movable and immovable).

Volunteer work

- Board Member, Eritrean Relief Association, Khartoum, 1982-1993
- Chairman of Eritrean Students Association, Dallas, Texas, United States of America, 1981-1982
- Relief worker, Eritrean Relief Committee Inc., Kansas/Texas, United States of America, 1979-1982
- Treasurer, Minority Cultural Organization, Sterling College, Kansas, United States of America, 1980-1981
- Treasurer and member of the Executive Committee, Eritrean Community in Kenya, Nairobi, 1977-1979
- Relief worker, Eritrean Relief Association, Kenya Branch, 1976-1979
- Treasurer and member of the Executive Committee, Scripture Union of Ethiopia, Addis Ababa, 1972-1975

Educational background

- MBA in International Organizations candidate, Euclid University
- BBA in Accounting, University of Texas at Dallas, 1982
- Junior Class completed, Liberal Arts with Accounting Emphasis, Sterling College, Sterling, Kansas, 1981 (transferred to University of Texas). Award for Excellence in Campus Leadership from the Association of Colleges of Central Kansas Minority Council, 1980-1981
- Diploma in Accounting, Haile Selassie I University, College of Business, Extension/Evening Division, Addis Ababa, 1970-1974

Short courses and seminars

- Seminar on International Intellectual Property, UNITAR, New York, 27 March 2007
- Workshop on Election to United Nations organs, UNITAR, New York, 21-22 March 2007

- Policy Awareness and Training in Information Technology, Cycle I, Intel/UNITAR Campus, New York, 6 February-23 April 2004
- New communication technologies and diplomacy, Intel/UNITAR Campus, United Nations, New York, 20-22 August 2003
- Intellectual Property: Workshop on Challenges and Opportunities in the 21st Century, World Intellectual Property Organization/UNITAR, United Nations, New York, 1 March 2001
- Workshop for African Diplomats on the Legal Aspects of External Debt Management and Negotiations, UNITAR, United Nations, New York, 23-25 February 2000
- Conflict Resolution and Negotiation for Diplomats, Institute of World Affairs, Salisbury, Connecticut, United States of America, 10-15 June 1997
- Structure, drafting and adoption of United Nations resolutions, UNITAR, New York, 1994
- Management by Objective, World Vision International, Nairobi, March 1978
- Successful Management Communication, Management Training and Advisory Centre, Kenya Ministry of Labour (partnership project with the United Nations Development Programme/International Labour Organization), Nairobi, September 1969
- Accounting Training Course, United Bible Societies, Africa Regional Centre, Nairobi, September/October 1969

International conferences attended

- Member of the delegation of Eritrea to the United Nations Conference on Sustainable Development, Rio de Janeiro, Brazil, 12-23 June 2012
- Head of the delegation to the High-level meeting on Information and Communications Technology and Sustainable Urbanization, Hong Kong, China, 14-18 April 2012
- Member of the delegation to the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9-13 May 2011
- Member of the delegation to the High-level Plenary meeting of the General Assembly on the Millennium Development Goals, New York, 20-22 September 2010
- Member of the delegation to the Conference on the World Financial and Economic Crisis and Its Impact on Development, General Assembly, New York, 24-26 June 2009
- Member of the delegation to the high-level meeting on Africa's development needs, General Assembly, New York, 22 September 2008
- Member of the delegation to the high-level meeting for a comprehensive review of the progress achieved in realizing the Declaration of Commitment on HIV/AIDS and Political Declaration on HIV/AIDS, General Assembly, New York, 10-11 June 2008

- Member of the delegation to the thematic debate on the Millennium Development Goals on the theme "Recognizing the achievements, addressing the challenges and getting back on track to achieve the MDGs by 2015", General Assembly, New York, 1-3 April 2008
- Member of the delegation to the Commemorative high-level plenary meeting devoted to the follow-up to the outcome of the special session on children, General Assembly, New York, 11-12 December 2007
- Member of the delegation to the High-level event convened by the Secretary-General on climate change, New York, 24 September 2007
- Alternate Head of Delegation to the Ministerial Conference of the Least Developed Countries, on the theme "Making globalization work for the least developed countries", Istanbul, Turkey, 8-11 July 2007
- Member of the delegation to the high-level plenary meeting of the sixtieth session, General Assembly, New York, 15 September 2005
- Member of the delegation to the twenty-seventh special session of the General Assembly on children, New York, 5-10 May 2002
- Deputy Head of Delegation to the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002
- Member of the delegation to the twenty-sixth special session of the General Assembly on HIV/AIDS, New York, 25-27 June 2001
- Member of the delegation to the twenty-fifth special session of the General Assembly for an overall review and appraisal of the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II), New York, 6-8 June 2001
- Member of the delegation to the Millennium Summit of the United Nations, New York, 6-8 September 2000
- Deputy Head of Delegation to the twenty-fourth special session of the General Assembly, on the theme "World Summit for Social Development and beyond: achieving social development for all in a globalizing world", Geneva, 26-30 June 2000
- Member of the delegation to the twenty-third special session of the General Assembly, on the theme "Women 2000: gender equality, development and peace for the twenty-first century", New York, 5-9 June 2000
- Member of the delegation to the twenty-second special session of the General Assembly for the review and appraisal of the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, New York, 27-28 September 1999
- Deputy Head of Delegation to the Meeting of the General Assembly to Commemorate the Fiftieth Anniversary of the Universal Declaration of Human Rights, New York, 10-11 December 1998
- Member of the delegation to the Special Commemorative Meeting of the General Assembly on the Occasion of the Fiftieth Anniversary of the United Nations, New York, 22-24 October 1995

Additional qualifications

- Excellent knowledge of computer software and information technology
- Some knowledge of computer hardware
- Very good communication skills